

169069

JPRS-LAM-86-035

14 APRIL 1986

Latin America Report

19980810 114

DTIC QUALITY INSPECTED

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

REPRODUCED BY
NATIONAL TECHNICAL
INFORMATION SERVICE
U.S. DEPARTMENT OF COMMERCE
SPRINGFIELD, VA. 22161

5
80
A05

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

14 April 1986

LATIN AMERICA REPORT

CONTENTS

INTER-AMERICAN AFFAIRS

Havana Commentator Views Peru's Garcia Visit to Argentina (Manolo Ortega; Havana International Service, 20 Mar 86)	1
Chilean Air Force Commander's Statements in Argentina (NOTICIAS ARGENTINAS, 24 Mar 86)	3

ARGENTINA

Peronists Say Radicals 'Mediocre by Doctrine' (BUENOS AIRES HERALD, 24 Mar 86)	5
Lopez Rega's Health Causes Speculation (BUENOS AIRES HERALD, 19 Mar 86)	6
Ambassador Corrects Moroccan Press Reports (TELAM, 19 Mar 86)	8
Briefs	
Major Praising Antisubversion Arrested	9
Soviet Family Emigrates	9

BRAZIL

New Sarney Mandate Said To Head Constituent Assembly Agenda (Carlos Chagas; O ESTADO DE SAO PAULO, 6 Mar 86)	10
Lyra-Inspired Progressive Front Gains Momentum (Silvia Caetano; O ESTADO DE SAO PAULO, 23 Feb 86)	12
Political Consequences of New Economic Package Discussed (O ESTADO DE SAO PAULO, 5 Mar 86)	14
IBC To Export 14 Million Bags of Coffee in 1986 (O ESTADO DE SAO PAULO, 27 Feb 86)	17
Briefs	
January Unemployment Decline	19

CHILE

Briefs	
Wheat Crop Figures	20
Ambassador to Venezuela	20
Ambassador Presents Credentials	20
Air Force Agreement Signed	20
Airway Extends Route	20

COLOMBIA

Study Views Extent of Illegal Goods, Drug Trade by Mafia (EL ESPECTADOR, 16 Feb 86)	21
--	----

CUBA

Briefs	
Excessive Energy Users Sanctioned	28
High Manual Canecutting Losses	28
Tin From Venezuela	28

EL SALVADOR

Venceremos Analyzes Duarte Peace Proposal (Radio Venceremos in Spanish to El Salvador, 21 Mar 86) ...	29
--	----

MEXICO

Citizens Questioned on Readiness To Sacrifice for Nation (Adip Sabag; EXCELSIOR, 14 Mar 86)	33
--	----

NICARAGUA

MDN Issues Communique To Mark Eighth Anniversary (LA REPUBLICA, 18 Mar 86)	34
Episcopal Conference on Campaign To Divide Church (EFE, 22 Mar 86)	36
PSC Leader Calls Draft Constitution 'Totalitarian' (LA NACION, 15 Mar 86)	38

PARAGUAY

Aldo Zuccolillo on Freedom of Press, Stroessner's Reelection (Asuncion Radio Primero de Marzo, 22 Mar 86; AFP, 20 Mar 86)	39
Freedom of Press, by Eligios Farina	39
Reelection View	41

Daily Interviews Aldo Zuccolillo in Brazil (Jose Maria Mayrink; O ESTADO DE SAO PAULO, 8 Mar 86)	44
EL PUEBLO Interviews Aldo Zuccolillo (EL PUEBLO, 26 Mar 86)	46
Opposition Leaders Say 'No Democratic Opening' (AFP, 7 Mar 86)	54
PATRIA Scores Americas Watch Observations (Editorial; PATRIA, 24 Mar 86)	55
Colorado Deputy Discusses Criticism Against Party (HOY, 11 Mar 86)	57
Reviews Remarks to Regional Precincts Colorados, Opponents Reaction	57
Reviews Remarks to Regional Precincts Colorados, Opponents Reaction	58
Colorado Party Notes Appeal for Reconciliation (EL DIARIO, 13 Mar 86)	60
MAC Leader on Colorado Party Fragmentation (LA TARDE, 24 Mar 86)	62
'Voice of Colorado' Issues Warning to EL DIARIO (Asuncion Domestic Service, 22 Mar 86)	65
Information Secretary Scores Reporters' Statements (Anibal Fernandez; Asuncion Red Privada de Teledifus Paraguaya Television, 11 Mar 86)	68
Journalists Return From FRG, Defend Attitude (HOY, 13 Mar 86)	69
Private Sector Warns Debt May Exhaust Reserves (HOY, 18 Mar 86)	70
Interior Ministry Responds to Press Reports (Asuncion Cerro Cora Sistema Nacional Television, 21 Mar 86)	71
PLRA Chairman Lashes Out at Police Aggression (ULTIMA HORA, 17 Mar 86)	72
Arrested PLRA Members Examined, Released (EL DIARIO, 18 Mar 86)	73
2,179 People Sign Letter To End Exile (ULTIMA HORA, 17 Mar 86)	74
Briefs	
British Agriculture Minister Arrives	75
Construction Workers' Leaders Set Free	75
Police Ban PUL Headquarters Lecture	75

INTER-AMERICAN AFFAIRS

HAVANA COMMENTATOR VIEWS PERU'S GARCIA VISIT TO ARGENTINA

PA260345 Havana International Service in Spanish 2300 GMT 20 Mar 86

["Our America" commentary--read by Manolo Ortega]

[Text] The presidents of Peru, Alan Garcia, and of Argentina, Raul Alfonsin, have signed a joint document in Buenos Aires whereby they voice their stands concerning the problem of the Latin American countries' foreign debt, which, according to them, constitutes the most important political and economic problem of the area nations.

On the occasion of Alan Garcia's visit to Buenos Aires, the two presidents analyzed the full scope of the regional debt--the major difficulty in these times of world economic crisis, particularly for the underdeveloped countries, with varied technological achievements. In spite of the great natural resources of Argentina, its debt amounts to over \$55 billion, a very heavy burden that jeopardizes the Alfonsin's work. It casts doubts on his internal economic reactivation before the workers, and places the once-flourishing nation in an uncomfortable situation when it has to hold discussions with international creditors.

Peru, with a debt of approximately \$14 billion, is enduring a serious economic and social crisis in the midst of the poverty that has extended to very vast areas, as is the case with the many residents of the poor section belts of Lima, the capital of the Andean country.

It is clear for Alfonsin and Garcia that negative sequels derive from the current adjustment processes of the debt, because the cost of such measures weighs almost exclusively on undeveloped countries despite the conciliatory and hollow rhetoric of meetings such as those of the IMF, the World Bank, and other similar agencies largely dependent on the U.S.' wises. The joint document signed by Argentina and Peru in Buenos Aires stresses some truths of broad application, and which are sidestepped only by the imperialist circles and their allies.

Alfonsin and Garcia stressed with certainty the importance of political dialogue regarding the problem of the debt, and decided to foster a growing co-ordination among the nations weighed down by this widespread evil. If the industrialized capitalist countries continue to turn a deaf ear to the demands

of the Third World's weak economies, it is mandatory that these countries have common viewpoints and speak to the voracious international creditors with a single voice.

Garcia's assertion that the debt cannot be paid under the current terms and that its origin is debatable, matches similar stances presented in various meetings on the topic held in Havana in the past few months, which were attended by important political, economic, scientific, and intellectual personalities from various world areas. To continue to be subjected to the IMF's wrath, and to apply--on its recommendation--austerity formulas with devastating effects on the majority of the population does not constitute a working solution. Quite the contrary. This indicates that unstoppable social outbreaks are nearer than ever.

/9274
CSO: 3348/472

INTER-AMERICAN AFFAIRS

CHILEAN AIR FORCE COMMANDER'S STATEMENTS IN ARGENTINA

PY242218 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1614 GMT 24 Mar 86

[Text] Buenos Aires, 24 Mar (NA)--Fernando Matthei, commander in chief of the Chilean Air Force, affirmed today that his country is following "a clearly-defined democratic process" which the Armed Forces "have sworn" to complete in 1989.

Matthei admitted that some sectors want this process to move along faster, while others want it to go more slowly, and then pointed out that the Armed Forces "would be wrong to sway in one direction or the other."

The commander of the Chilean Air Force made these statements at the metropolitan airport upon his arrival in Buenos Aires for an official visit at the invitation of the Argentine Air Force.

Considered to be one of the more flexible of the four members of the Chilean Military Junta, Matthei justified the 1973 military coup against the popular government of Salvador Allende, explaining that at the time there was "a power challenge between communism and the Armed Forces." He then added that "had the Armed Forces not responded to the challenge, Chile could not be speaking about democracy today."

Matthei said that Chile is following "a clearly-defined democratic process, which the Armed Forces have sworn to complete in 1989."

According to the Constitution that was approved in a polemic plebiscite in 1980, the mandate of President Augusto Pinochet will run until 1989 when he will have an option to run for a new presidential period if his candidacy is approved in a popular consultation.

Referring to his visit to Argentina, the commander of the Chilean Air Force said that "we can initiate a new period of relation between our Armed Forces, which we hope will also include the relations between our two nations," adding that "for many years we have looked to the North or in other directions, forgetting that we are so close and that we can complement each other in many aspects--and this happens in the military area and with the respective Air Forces."

Matthei then said that "there was a time when our relations were better, closer and more cordial, and now it is again time to intensify them, with resolution and with the heart open to brotherhood."

Matthei was received at the military sector of the metropolitan airport by Brigadier Teodoro Waldner, Armed Forces joint staff chief; Brigadier Ernesto Horacio Crespo, Air Force Joint Staff Chief Vice Admiral Ramon Arosa.

/9599
CSO: 3348/470

ARGENTINA

PERONISTS SAY RADICALS 'MEDIocre BY DOCTRINE'

PY242017 Buenos Aires BUENOS AIRES HERALD in English 24 Mar 86 p 1

[Text] (NA-DYN)--The weekend National Congress of the Peronist Renewal Wing yesterday gave birth to a fully-fledged party structure, duly electing as joint leaders an absent La Rioja Governor Carlos Menem and deputies Antonio Cafiero and Carlos Grosso. They also released a statement harshly criticizing the Radicals as "mediocre by doctrine" and describing democracy and liberation as complementary goals.

Further congresses for trade unions, parliamentarians, businessmen, youth, women and professionals are slated for the next couple of months after direct party membership voting has been established while the national congress itself is to reconvene within 90 days. Youth will now make up the fourth branch of the movement. Trade unionists present, dominated by the Committee of 25 labour grouping but also including printers' leader Raimundo Ongaro, also endorsed tomorrow's strike.

Grosso told the 2,000 delegates that the new triumvirate would be advised by a Federal Council representing all 24 electoral districts. A human rights secretariat will also form part of the new party organization. The congress further set a 1 May deadline for normalizing the four intervened provinces of Buenos Aires, Cordoba, Jujuy and Rio Negro after Cafiero called for a collective intervention board on Saturday.

The statement harped constantly on national unity and popular participation, saying Peronism must return to its "revolutionary" nature. The national crisis and the Peronist crisis were the same, it said. The reform Peronists were looking beyond "mere candidacies," the statement insisted, also hitting out at the government for scaremongering and defeatism. The government had to choose between making statistics or making history, the statement concluded.

Menem apparently faces an operation today, thus explaining his absence yesterday. On Saturday he made a bullish speech forecasting electoral victories next year and in 1989 in contrast to a more self-critical speech by Grosso.

Menem also basted the constitutional provision requiring the President to be Roman Catholic. Cafiero preferred to stress the reform Peronists' loyalty to the 25 as the most representative Peronist labour grouping as against the claims of the 62 Organizations, who were also criticized by Grosso.

LOPEZ REGA'S HEALTH CAUSES SPECULATION

PY192000 Buenos Aires BUENOS AIRES HERALD in English 19 Mar 86 p 9

[Text] (NA-DYN)--Suspected Triple A leader Jose Lopez Rega expressed yesterday his willingness to be tried in Argentina and his conviction that "the people love me even though they lack the initiative to express their feelings," according to an interview in yesterday's issue of CRONICA. He was also quoted as saying that "the accusations against me were originated by the military and I have been unjustly linked to them." The former welfare minister denied owning "hidden fortunes" in Switzerland, the United States or any other place. In reference to his return, Lopez Rega is said to have stated: "I could be used as a political instrument, but I don't care. My concern now is for my country, and I want to die there. I pray every day for Argentina."

Meanwhile lawyer Juan Carlos Ortiz, a former Justicialist party congressman, admitted yesterday that he is willing to defend Lopez Rega in the Argentine courts. According to reliable sources Ortiz will soon travel to Washington in the immediate future to receive instructions from United States Federal Prosecutor Karen Moore and to meet Luis Fors, Lopez Rega's attorney in charge of everything related to his extradition.

Ortiz, who defended former President Juan Peron's estate and its administrators in previous trials, explained that he was well informed about the charges against Lopez Rega, but pointed out that the existence of the Triple A (Argentine Anticommunist Alliance) "was never proven."

Lopez Rega's self-proclaimed "spiritual partner," Maria Cisneros, stated that the Argentine Government had offered the ex-minister a temporary passport for 60 days that allowed him only to travel to Argentina but it was rejected because he wanted to travel to Switzerland or some other place, according to an interview published yesterday by GENTE magazine. She added that "our country now has a democratic government. Imagine what would have happened (if Lopez Rega's arrest) had taken place during the military government. You know as well as I do about the children that disappeared in that period." The health of the mentor of both Perons has led to a wide variety of speculation since this could play a crucial role in the approval of his extradition. A physician appointed by Judge Charlene Sorrentino treated Lopez Rega yesterday in the Miami Metropolitan Correctional Center but his diagnosis has not been disclosed.

Fors maintains that the health of Lopez Rega is very poor "due to his advanced diabetes and high blood pressure." The Cuban attorney has requested that the prisoner be transferred to the exclusive Coral Gate Clinic and that the Argentine Government pick up the bill, which could run up to as much as 80,000 dollars by extradition time.

On the other hand, Lieutenant Angel Montalvo, a spokesman for the jail that holds Lopez Rega, denied that his health was as bad as Fors made it seem. "Lopez Rega's health is good, he is a diabetic but not delicate. In every other aspect his body works normally for a man his age." But CRONICA used prominent headlines yesterday to proclaim the alleged fact that Lopez Rega suffers from Acquired Immune Deficiency Syndrome (AIDS), attributing this information to an undisclosed source.

/9274
CSO: 3300/73

ARGENTINA

AMBASSADOR CORRECTS MOROCCAN PRESS REPORTS

PY202317 Buenos Aires TELAM in Spanish 1514 GMT 19 Mar 86

[Text] Rabat, 19 Mar (TELAM-EFE)--The Moroccan newspaper LE MATIN today published a correction, by Argentine Ambassador Norman Zamboni, of the Moroccan press version of the statements Argentine Vice President Victor Martinez made during his recent visit to Rabat.

On 8 March, Rabat newspapers reported that Martinez had said that Argentina would never recognize the Saharan Arab Democratic Republic (SDAR), and that the Argentine Government would not work for a dialogue between Morocco and Algeria for the solution of the Saharan problem.

According to the Moroccan press, the Argentine vice president also said that his country is facing territorial problems, particularly with neighboring Chile, and that of the Malvinas Islands.

Ambassador Zamboni's correction stated that, according to a recording in Spanish, Dr Martinez only mentioned the SDAR once, saying literally: We have not recognized the SDAR, and we have not adopted any attitude toward Morocco that might displease it. Zamboni's letter added that Martinez said that Argentina will participate in all efforts aimed at establishing a dialogue between Morocco and Algeria, believing that this would result in the fairest solution.

The Republic of Argentina has the moral authority to recommend a dialogue, because this was how Argentina solved its territorial problems, with Chile, and it is trying to establish a dialogue with Great Britain at all levels to solve the Malvinas Islands problem, the ambassador said.

Zamboni ended the letter he sent to the MOROCCAN PRESS AGENCY, MAP, by stating that the published version of what Vice President Victor Martinez said was different from what he really said.

/9274
CSO: 3348/472

ARGENTINA

BRIEFS

MAJOR PRAISING ANTISUBVERSION ARRESTED--Buenos Aires, 17 Mar (NA)--A high-ranking military source this afternoon confirmed that Major Julio Canteros is serving a 30-day arrest at the Campo de Mayo Engineering School for making statements "praising the performance of the Armed Forces during the struggle against subversion." The source added that Maj Canteros has been under arrest since early February. Earlier this year, Maj Canteros was sentenced to 20 days detention for remarks he made while haranguing the troops on the occasion of the dismantling of the Second Armored Scouts Squadron that used to be headquartered in Concordia, Entre Rios. [Text] [Buenos Aires NOTICIAS ARGENTINAS in Spanish 1955 GMT 17 Mar 86 PY] /9274

SOVIET FAMILY EMIGRATES--Buenos Aires, 24 Mar (DYN)--A Soviet family, who in mid-1984 visited the Argentine Embassy in Moscow to ask for support to be able to emigrate from the Soviet Union, is now in Argentina. A communique released by the Argentine Foreign Ministry states that Yuriy Smirnov, his wife Galina Smirnova, and their three children, who are minors, have arrived in Argentina. The communique states that in mid-1984 the Smirnov family visited the Argentine Embassy in the Soviet capital city "to request assistance from the Argentine authorities in order to emigrate from the Soviet Union." The communique concludes by stating that the Argentine Foreign Ministry conducted the appropriate negotiations before the Soviet Government which approved the emigration of the family. The communique does not mention when the Smirnov family arrived in Argentina. Among diplomatic circles, it was being felt that the decision by the Soviet authorities to permit the Smirnov family to leave the Soviet Union was a kind gesture by the Soviet Government toward the Argentine republic. [Text] [Buenos Aires DYN in Spanish 0012 GMT 25 Mar 86 PY] /9274

CSO: 3348/472

NEW SARNEY MANDATE SAID TO HEAD CONSTITUENT ASSEMBLY AGENDA

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 Mar 86 p 4

[Article by Carlos Chagas]

[Text] A 4-year term for President Sarney but with the right of reelection? A term of 5, or else 6 years as provided by the constitution? What had appeared a remote issue or even an impossibility is beginning to emerge as a solution for the Democratic Alliance, and it is already being discussed quite openly in Congress, the PMDB, the PFL and in the presidential palace itself as one of the first questions to be debated by the Constituent National Assembly 1 year from now.

Because, suddenly, it is perceived that the economic package did not implode on inflation alone; it has simultaneously imploded on the succession. All the succession ideas devised until last Friday have been thrown out of phase, revised and rectified. The Democratic Alliance no longer has natural candidates. Ulysses Guimaraes, Marco Maciel and Aureliano Chaves, to cite only three big names, appear to be submerged in the current that, barring error, will lead the country to economic stability.

Ironically, Sarney becomes the extended or emergency solution: he who entered the government through the back door as a waif. If it is not to turn over the gold to the engineer, also hit by the package but far from being knocked out, the Democratic Alliance does not see another figure today that is better than the president of the republic. For that reason, what was most talked about in Congress yesterday was the possibility of the Constituent National Assembly in 1987 setting the presidential term for 4 years while establishing the principle of reelection for another term, to go into effect immediately. Also presented as an alternative was retention of the constitutional 6 years or, at least, its reduction to 5 years.

The president does not even agree to talk about the question despite the attempts and provocations. Just this Tuesday, during breakfast, he repeated to this reporter what is already becoming a permanent videotape: he will honor the decision of the Constituent National Assembly, which is sovereign, but he clings to the guideline laid down by Tancredo Neves: presidential terms would be for 4 years. Once his mission has been fulfilled, he will leave public life without seeking to return or to run as a candidate, let alone occupying a position of political leadership.

There will not be the slightest maneuver or organizational effort on his part; on the other hand, it is also his immediate aides who are beginning to consult with many leaders of the PMDB and the PFL. On the basis of the day's quotations and projections for the future, there is not a better candidate in the event that reelection is included in the new constitution. It would not be a matter of perpetuation or casuistry because the electorate would have the last word, freely; and in the face of an electorate capable of opting for other candidates such as Leonel Brizola or Janio Quadros, there would not be a more receptive name.

In the PMDB, Ulysses Guimaraes remains a candidate. His group believes that it can once again cause him to be identified with the nation, as in the days when he headed the opposition, resisted the dictatorship and expressed the democratic spirit better than anyone else. The problem is the erosion suffered by the Sao Paulo congressman in the course of the New Republic. Even if he is reelected to the presidency of the party on 6 April, he will face sizable internal resistance to remain in the succession fight until the end. This is due less to the age factor than to his having dissociated himself from many segments; more for having been defeated in the confrontation with Jose Sarney at the time of the cabinet reshuffle than because of the fact that the party banners have been expropriated by the government. There would be great danger that, if chosen as a candidate, he might not be able to avert the flight of many candidates.

There could be time for the preparation of other candidacies from among PMDB personalities in the event that the term of the current president were extended to 5 or 6 years but, even so, it is unlikely that one of them would displace Sarney's image. Iris Rezende, Jose Richa, Helio Garcia, Paulo Brossard, Almir Pazzianotto are more remote possibilities unless the picture changes. Fernando Henrique Cardoso would be a solution if he had won the elections in Sao Paulo, or better still, if he had not been a candidate.

In the PFL, strengthened in government terms as a result of the cabinet reshuffle, one notes a perceptible swing of the pendulum internally; terrain formerly occupied by Aureliano Chaves is slowly being lost to Marco Maciel. But the problem may be in the lack of identity between the party and public opinion, especially if modest blocs numerically subordinate to the PMDB emerge from next November's elections.

Neither the PMDB forces nor the liberals will undertake any adventures, especially if the popularity of the government takes root and even grows, because it would be too ironical to see a strengthened system crumble and lose power because of a lack of candidates capable of expressing it. Thus, the common denominator that is beginning to appear is that of the president himself. At least to permit the time necessary for new possibilities to emerge. Outside of that, it bears repeating, the New Republic risks turning over the gold to the engineer; or, supreme catastrophe, seeing a repetition of the 1960 comedy because, in the matter of "hanging up the gloves," there is no way of believing in Janio Quadros.

The issue may seem premature, unreal, and merely speculative; but for a demonstration that it is not so, suffice it to frequent the corridors of congress, the party headquarters, and even some chambers in the presidential palace.

LYRA-INSPIRED PROGRESSIVE FRONT GAINS MOMENTUM

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 23 Feb 86 p 6

[Article by Silvia Caetano]

[Text] Brasilia--Limited thus far to isolated talks held by the PMDB politicians with PDT leaders, the so-called Progressive Front has gained new impetus from the outcome of the cabinet reform decided upon by President Jose Sarney. Conceived by former Minister Fernando Lyra, in anticipation of the government's course following the change of the first echelon, the initiative has been meeting a better reception among the PMDB members unhappy about the conduct of the New Republic. A large segment of the Leftwing of the Sao Paulo PMDB is ready to change to the PDT, while other members of the party are exerting efforts to ensure the viability of the front, viewing it as the only alternative to guarantee the election of a Constituent Assembly capable of responding to the reformist yearnings of the nation.

The PDT leader in the chamber, Nadir Rossetti, admitted that for the time being the PDT has had only sketchy talks with the PMDB people because, in his opinion, implementation of the new alliance runs up against the natural difficulties inherent in the formation of a front with politicians belonging to various parties. Not because there is a requirement for the members of the movement to belong to the same party, but because of the differences of the parties. In some states, as in Rio Grande do Sul, for example, the PDT plans to join in a coalition with the PDS to vie for the state governorship, which has generated internal discontent, including that of Rossetti himself, who does not agree to mount the platform and campaign also for former PDS leader, Deputy Nelson Marchezan, who should come out as a candidate for the Senate on a slate headed by Leonel Brizola's party. This type of problem is causing talks to drag, but both Rossetti and former Minister Fernando Lyra believe in the success of the initiative.

In Sao Paulo, two federal deputies could leave the PMDB--Beth Mendes and Marcio Santilli--in addition to six state deputies: Marco Aurelio Ribeiro, Fernando Moraes, Sergio Santos, Ruth Escobar, Waldir Trigo, and Walter Lazarini. In the meantime, it is still not known what Labor Minister Almir Passianotto will do. On the basis of a candid statement of his, the expectation in the PDT is that he will leave the PMDB to run for the governorship of Sao Paulo under the PDT party label. The labor minister told a Brizola party leader: "I

prefer to win a million and a half votes in the PDT than be elected federal deputy for the PMDB," but he has not confirmed that intention so far. Pazianotto has until 14 May to divest himself of his office. If he does not do so, it is because that statement was only for effect.

The same difficulties detected by the PDT leader are recognized by former Minister Fernando Lyra, citing as an example the case of Parana, where the PDT was the adversary of the PMDB in the last elections, opening up wounds that have not yet healed. Lyra defends the Progressive Front as an attempt to unit the politicians who hold similar views and positions around a political action, not only with a view to the Constituent Assembly but beginning as of this year's electoral campaign. According to the former minister, the strategy of the Progressive Front is to establish a common agenda for all the members of the movement, to be defended in the campaign and in the future Assembly in order to prevent the drafting of a conservative constitution not in accord with national demands and needs.

The Pernambucan politician is optimistic about the movement and predicts that it is "going to grow." It is his analysis that the Progressive Front is of interest to all candidates for deputy who want to declare themselves publicly and do not want to follow the eventually conservative discourse of the candidates for state governors. "It also serves to take care of the sectors of society that want to participate in the process but without party commitment. It is the alternative that remains for those people to be able to defend their positions through an explicit channel without commitment to parties," stressed the former minister of justice.

According to Fernando Lyra, the Progressive Front will end up with a dichotomy of those who are members of the PMDB and refuse to support a conservative government but do not plan to change parties. In Lyra's opinion, in those cases, a change of party would only serve to weaken the politician vis-a-vis his political base, which does not serve the strategy of the Progressive Front. He gave assurance that he himself does not plan to leave the PMDB, where he considers himself sidelined by the other factions, although a possible candidacy for the governorship of Pernambuco under the PDT is not completely out of the question. "My plan is not to be governor but to be re-elected deputy with the backing of my solid election base; but I would not fail to face the risk if the situation so advised," added Fernando Lyra.

Both Fernando Lyra and leader Nadir Rossetti believe that the idea is appealing to a large group of congressmen in the PMDB, many of whom, in practice, have the same objective, such as Deputies Manoel Costa, Cristina, Tavares, Hermes Zannetti, Flavio Bierrenback, Helio Duque, Alencar Furtado or Francisco Pinto. To prevent the election of a Constituent Assembly representative of the interests of the elite is the concern of all of them, who would thus act within the spirit of the Progressive Front during the campaign and in the Assembly itself, however, without leaving the party. If they should eventually do so, that would only occur after the 15 November elections when the PMDB should have demonstrated that it is not viable for progressive politicians.

8711/6662

CSO: 3342/80

POLITICAL CONSEQUENCES OF NEW ECONOMIC PACKAGE DISCUSSED

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 5 Mar 86 p 3

[Text] Brasilia--President Jose Sarney accepts the image: he proceeded like Hernan Cortes in deciding on shock treatment against inflation, eliminating the road back to the gradualist policy. The Spanish conquistador landed in the Yucatan Peninsula in 1519 determined to conquer the Aztec Empire, and for that reason he burned his own caravels that had carried him to the New World. It became clear to his soldiers that victory was the only option because defeat would mean the end.

For the chief executive, from now on it will be: achieve success or there will be nothing more in terms of the New Republic. He is optimistic despite being tense and on the alert. He must strive for the implementation of the anti-inflationist plan and keep abreast of every step of its unfolding. Yesterday morning in Alvorada Palace, he agreed to discourse about the future. With the resumption of economic growth during the past year, the adoption of the social option, and now the adoption of the anti-inflation package, as the process advances and becomes consolidated, there will be no time to lose. The government will take care of the irrigation plan, especially for the Northeast; it will restore the national road and rail networks, as well as river and ocean navigation, in addition to the ports. It will devote itself to improving national transportation, with emphasis on results in terms of supply. At the same time, it will continue to take care of administrative reform. In Sarney's opinion, those goals will be augmented as a result of the new economic policy, assuming that, without generating a recession, we succeed in finding mechanisms capable of reducing inflation to practically zero. On the contrary, with the abolition of the monetary correction and such instruments as the "over" and "open" rendered unviable, it becomes obvious that financial speculation is out of the question. With a strong currency, whoever wants profit will have to invest. And within the limit of its powers, the government will stimulate investments in the aforementioned sectors. From now on nobody will profit from inflation; but profit remains the mainspring of the current system, opening the way to the activity of private enterprise in productive investments.

He recognizes that the freezing of prices hit the bull's-eye; it made an impression on all of the public and served to mobilize society. The success

of the initiative was due to the credibility of the government, the popularity of the New Republic. There is no way of failing to be inflexible in face of the need for nothing--really nothing--to be raised. The roster of control agents within the government is gradually being expanded, involving SUNAB, the Federal Police, the Regional Labor Offices, the states, and municipalities through an agreement already signed by the Ministry of Justice with the governors. But the big, permanent controller is the population--the housewife, the common citizen in his day by day routine.

The president related how he arrived at the decision to change the economic policy. It was not a sudden move. In May of last year, less than a month after Tancredo Neves' death, he convened experts to study alternatives to the gradualist policy. One team went to Israel and another to Argentina, when President Raul Alfonsin opted for the shock treatment. The possibilities in case of impasses was studied. When, despite everything, inflation reached undesirable levels in December and January, with the forecast of a similar situation in February, he reached a decision. It was on Monday, 17 February that he directed a small group of aides to incorporate the ideas outlined and studied. From that night on, he held lengthy talks with Ministers Dilson Funaro, Joao Sayad, Ivan de Souza Mendes, Bayma Denys and a small group of advisers such as Persio Arida, Francisco Lopes, Lara Resende, Beluzzo e Calabi, among others. The cabinet reshuffle was being completed and attention was centered on the subject so that it was possible for the new economic policy to be discussed secretly and detached from speculation. Everything was discussed point by point. The climate was extremely favorable because of the balance of the prescription--the nonissuance of government paper in January and February and price control, done without much bluster. On Monday, the 24th, when the new cabinet was convened in the morning, he did not announce the decision but he began convening other ministers to the evening sessions: Paulo Brossard, inasmuch as the question involved various legal aspects, and Almir Pazzianotto, responsible for the social plan.

Almost miraculously, the government gained another 3 days because it was only on Thursday that the rumors began to circulate and the report leaked. Since Friday had been chosen as D-Day, it was even a good thing, with public opinion and the various social segments being prepared by the press report.

What are the political consequences stemming from the new situation? The president of the republic, cautious, does not speculate much. But he does not accept the reasoning that only now does the government appear to be in condition to elect strong blocs in November. He does not doubt that that will occur, based on the popularity ratings compared over recent months, but he recognizes that the chances have grown even more as a result of the anti-inflationary package. He will not be active in the election campaigns on behalf of anyone. In no way does he agree to mount platforms and hold rallies supporting this or that candidate. That position erodes the presidents of the republic. He may, at the most, be sympathetic to some candidates for state governorships or Congress, but this is a matter of personal feeling which will not influence his position as president. He believes that the candidates

of the Democratic Alliance will emerge victorious in the majority of the states. The gubernatorial elections will pull the elections for deputy and senator.

His projections for the proceedings of the Constituent National Assembly are similarly cautious. It will be sovereign; it will give the country a new institutional model and its decisions will be the decisions of Brazil. But he does not believe in the prevalence of radical positions. The reformist spirit will be present, identified with the accomplishments of the New Republic.

Finally, President Jose Sarney does not evade questions about the succession. His candidate will be the candidate of the Democratic Alliance but, at the same time, he will not lead campaigns or go touring the country seeking votes. He will maintain himself as the chief executive, stressing that he considers his political life ended at the end of his term. He aspires only to read and write books, devoting himself to literature. He does not want to establish leaderships following his administrative period, much less found political parties or engage in maneuvers to return, of the "JS-95". For that reason, he can devote himself with perseverance to the goals and projects of the present without commitments of any kind. There must be many candidates in the Democratic Alliance.

When questioned, Sarney replied that he has no doubt that Janio Quadros will end up becoming a candidate--first for the governorship of Sao Paulo, then for the presidency. Around him will be many figures of the recent past, such as Golbery do Couto e Silva, Delfim Netto, Paulo Maluf. It is their right, as it is that of Governor Leonel Brizola as well. But he believes that ideological radicalization is being warded off as his government reduces social tensions and promotes the possible and necessary reforms.

8711/6662
CSO: 3342/80

BRAZIL

IBC TO EXPORT 14 MILLION BAGS OF COFFEE IN 1986

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 27 Feb 86 p 40

[Text] Rio--Brazil will export only 14 million bags of coffee this year, a monthly average of 1.2 million bags. The announcement was made yesterday by the president of the Brazilian Coffee Institute (IBC), Paulo Graciano, after meeting with representatives of growers, exporters and roasters at the IBC administrative board.

In recent years, Brazilian coffee exports have been around 18 million bags, which means that the traditional importers of Brazilian coffee will have to look to other markets to supply them with 4 million tons. Even with lower exports, the IBC expects to obtain record revenues of \$4 billion this year, Graciano said.

To limit exports this year, a necessary measure due to the reduction of the harvest caused by the prolonged drought in 1985, the IBC president plans to discipline exporters, employing the marketing mechanisms available to it. One of those mechanisms is suspension of shipping registrations when they reach a certain amount considered necessary by the IBC. The possibility of the IBC resorting again to export quotas by company was discounted by the export director of the Agency, Renato Celidonio.

The president of the IBC revealed also that this year's coffee harvest will probably amount to 14 million bags, although the initial estimate of the IBC itself had been 16.7 million bags. According to him, this new figure is derived from the consensus of exporter and producer companies. The IBC's production director, Joaquim Libanio Ferreira Leite, however, considered a new harvest forecast to be extremely difficult because of very irregular beans. Small samples gathered in areas of Parana affected by the drought indicate that six bags of raw coffee will be needed to obtain one bag of processed coffee, whereas in normal harvests, that proportion was 3 to 1.

At the board meeting, the IBC president was sympathetic to the demand of the growers' representatives for a substantial increase of the guarantee price to adjust them to the market price. Mauricio Lima Verde Guimaraes, a member of the coffee committee of the Sao Paulo Federation of Agriculture, reported that the IBC president was receptive to the demand that the guarantee price,

today around 1 million cruzeiros, be raised to around 3 million, which represents 70 percent of the market price, which today ranges between 3.5 and 4 million cruzeiros per bag. The growers also demand that the conditions for concession of financing for coffee-growing be revised so that the interest on both costs and marketing be 3 percent per annum, in addition to full monetary correction.

Lima Verde said he estimates this year's Brazilian harvest to be 11 million bags, not 14 million as the IBC president predicted. To justify his estimate, the FAEESP representative in the IBC administrative board said that the harvest of Conillon-type coffee produced in Espirito Santo will suffer a reduction of 20 to 25 percent due to a drought that has now lasted 65 days.

8711/6662
CSO: 3342/80

BRAZIL

BRIEFS

JANUARY UNEMPLOYMENT DECLINE--The average rate of open unemployment in January was significantly lower than that for the same month in previous years. Although, as in all years, January showed a seasonal rise compared to December, the rate of 4.2 percent represents a drop in the rate level. The figures recorded by the Monthly Employment Survey (MES) were revealed yesterday by the IBGE Foundation in Rio. Average January Unemployment Rate, in percentage: 1983, 6.3; 1984, 7.5; 1985, 6.3; 1986, 4.2. Of the six metropolitan areas that comprise the rate, the lowest unemployment rate occurred in Rio de Janeiro (3.9 percent) representing a reduction of 39.1 percent compared to January of last year. The highest rates continued to prevail in Recife (5.3 percent) and Salvador (5.0 percent). According to branch of activity, civil construction was the sector that presented the highest average unemployment rate in January (5.4 percent). However, compared to the same month last year, it was the sector that showed the greatest reduction of that rate (44.9 percent). Compared to January 1985, there was a substantial reduction of the proportion of occupied persons who did not receive remuneration or who received an income of less than one minimum wage, in relation to the economically active population in all metropolitan areas surveyed, especially in Sao Paulo (28.5 percent). The same occurred in comparison to December, with Sao Paulo once again standing out with a decrease of 22.4 percent. [Text] [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 5 Mar 86 p 30] 8711/6662

CSO: 3342/80

CHILE

BRIEFS

WHEAT CROP FIGURES--Chilean Agriculture Minister Jorge Prado stated at the Osorno Agriculture and Industrial Fair that 80 percent of this year's wheat crop will be enough to supply Chile's domestic needs. The minister also announced that last year the agricultural sector grew by 10 percent and emphasized that all figures related to agricultural production are highly promising. [Excerpt] [Santiago Domestic Service in Spanish 1100 GMT 10 Mar 86 PY] /9599

AMBASSADOR TO VENEZUELA--The Chilean Government has appointed Nicolas Grohnert Novoa as the new Chilean ambassador to Venezuela, replacing deceased former Ambassador Carlos Alberto de Costa-Nora Sepulveda. [Summary] [Santiago Domestic Service in Spanish 2300 GMT 11 Mar 86 PY] /9599

AMBASSADOR PRESENTS CREDENTIALS--Javier Illanes, Chilean ambassador to the OAS, has presented his credentials to the OAS Permanent Council's president. [Summary] [Santiago Domestic Service in Spanish 1100 GMT 13 Mar 86 PY] /9599

AIR FORCE AGREEMENT SIGNED--The Chilean Air Force has signed an agreement with ENAER [National Aeronautics Enterprise] to modernize its Mirage aircraft. The agreement was signed at the International Air Fair in Santiago by the Chilean Air Force represented by Logistic Commander Pablo Saldias and ENAER President General Caupolicán Boisset. [Summary] [Santiago Domestic Service in Spanish 1100 GMT 14 Mar 86 PY] /9599

AIRWAY EXTENDS ROUTE--Uruguayan Transport and Public Works Minister Jorge Sanguinetti, accompanied by the economy under secretary and the Uruguayan commerce director, arrived in Santiago on the inaugural flight of PLUNA [Uruguayan National Airlines] that will start regular flights between Santiago and Montevideo, twice a week, as of next Monday 17 March. Likewise, LAN-CHILE will start periodic flights to Uruguay. [Summary] [Santiago Domestic Service in Spanish 1100 GMT 14 Mar 86 PY] /9599

CSO: 3348/470

COLOMBIA

STUDY VIEWS EXTENT OF ILLEGAL GOODS, DRUG TRADE BY MAFIA

Bogota EL ESPECTADOR in Spanish 16 Feb 86 pp 1-A, 13-A

[Passages enclosed in slantlines printed in boldface]

[Text] The great Italian mafias, which are being put on trial at this time, have been dwarfed by the /audacious/ Colombian drug traffickers. The latter have been considered the "largest mafia in the world" since the 1970s.

EL ESPECTADOR has gained access to a study written by the Institute for Latin American Studies of the University of St. Gallen, in Switzerland. The study deals with Colombia's illegal foreign trade, not just of cocaine and marijuana, but also of contraband such as coffee, livestock, emeralds, cement, cosmetics, alcohol, toys, automobiles, and the like.

In early 1970, according to this study, 70 to 90 percent of all drugs passed through Colombia; most of the processing in the world took place in our country. As a result of the /war/ on drug trafficking declared by President Betancur, however, most of the refining is now done in Bolivia and Brazil.

The Colombian /godfathers/ and their /families,/ as they are known in the world of drug trafficking, not only handle exports from South America, but also oversee distribution in the United States.

The study states in its introduction that in Colombia the illegal trafficking of goods, capital, and drugs has reached such proportions that it has significantly distorted the balance of payments.

It concludes that between 1980 and 1984 the volume of illegal foreign trade from Colombia was between US \$6 billion and \$9 billion, but that only a small part of these /earnings/ (10 to 20 percent) returned to the country.

Smuggling Boom

The study indicates that the smuggling of coffee, sugar, livestock, cement, emeralds, cigarettes, liquor, domestic appliances, cars, and spare parts has been a tradition in our country, because either domestic prices are lower or imports are limited.

With the widespread consumption of marijuana and cocaine in the United States, however, Colombian smuggling has surged tremendously. The study reports that between 1969 and 1970 it grew by more than 100 percent.

Drug seizures by U.S. customs officials went from a total of 3 kilos in 1961 to 370 kilos in 1971 and 570 kilos in 1976. The black market for marijuana, until that time unknown in Colombia, was stimulated.

Mexico, which exported 90 percent of its marijuana to the U.S. market, was surpassed by the /audacity/ of the Colombian mafiosi, who ended up controlling 70 percent of the market. Then they made way for Jamaica and Belize, seeking instead the higher profits to be made from cocaine trafficking.

With regard to profits, the University of St. Gallen report asserts that they are extremely high. Factors that affect profits are the exchange rate with the dollar, the cost of transporting the alkaloid, wages, and bribes to customs agents.

The study claims that the operation launched in La Guajira, Colombia in 1978, when 10,000 soldiers burned the marijuana crop, contributed to the explosion in the price of that drug.

Nevertheless, it concludes that "despite the strict controls and the many precautions that are taken, crops cannot be exterminated as long as the following factors are present:

- The market for those products and the great demand by consumers
- The likelihood of great profits
- The increase in the number of addicts created by this trade, which ensures that demand will not slack off even as the price rises."

For example, between 1975 and 1980, the price of a kilo of cocaine soared from \$300,000 to \$500,000 on the black market.

The research conducted by the Swiss university reveals that the tremendous profitability of these transactions enables drug traffickers to pay huge sums of money to the farmers who grow the crop, but compared to their own income, these amounts are ridiculously low.

Cocaine Production

With regard to the production of coca leaves, the report notes that it expands by 25 percent every year. Bolivia, Peru, Ecuador, Colombia and Paraguay obtained nearly 135,000 tons of coca leaves in 1984, it states.

Of that amount, 10,000 tons is chewed, being used for what can be called the "daily consumption of the growers." The rest (125,000 tons) is processed in three stages, which guarantees a yield of 66 percent.

It states that the product coming out of Colombia, Peru and Bolivia is extremely varied. As a result of the discovery of the largest processing

laboratory, Tranquilandia, in the Llanos of Colombia, and of the confiscations of ether in Panama, production has increased considerably, the report says.

Table 1 contains this information, and shows how important Colombia is in the production of the alkaloid. In the early 1970s, 70 to 90 percent of all cocaine passed through our country, and most of the processing was done here, too.

Due to the /war/ on drug trafficking declared by President Betancur after the death of Justice Minister Rodrigo Lara Bonilla, however, the refining process was moved to Brazil and Bolivia.

It is estimated that in about 10 years, from 1970 to 1980, Colombia processed 75 percent of all the cocaine that was consumed in the world.

But during that same period, the Colombian dons extended their sphere of influence as well. They now make up the largest mafia in the world.

The /families,/ as they are known, are located in Miami, Chicago, New York and Los Angeles. They handle not only exports from the South American countries that process drugs, but also all distribution throughout the United States.

How Much Does the Colombian Mafia Earn?

Researchers at the University of St. Gallen calculated the Colombian dons' income based on the movement of cocaine and the dons' share of that activity.

They used only the FOB prices for this calculation, that is, the sales price at U.S. ports. This represents only 25 percent of the total price, with production costs and transportation damages subtracted (see Table 2).

After analyzing the figures for cocaine, the Institute evaluated everything related to marijuana. It also looked at the decline in Colombia's importance as Jamaica and Belize entered the market.

It is estimated that between 1980 and 1984 the consumption of marijuana in the United States rose from 22.5 percent to 37 percent, from 1,000 to 1,500 kilograms.

In verifying the presence of the Colombian mafiosi in the distribution of the grass, the University of St. Gallen study points out that "unlike cocaine, no specific indication of Colombia's participation was found in the distribution of marijuana in the United States."

The study also presents estimates of the prices that are paid, and concludes that the earnings on marijuana smuggling are lower than those obtained from illicit cocaine sales.

The study notes that of the profits, it is assumed that only 7.5 to 10 percent goes to the growers. An unknown quantity is earmarked for /quieting/ and bribing the authorities, and for transportation and other unforeseen expenses.

The bribes amount to about 20 percent of the total sales price of marijuana, leaving a net profit of 70 percent for the distributors.

Major Coffee Smuggling

Due to the difficulty in obtaining information, the report provides only a cursory examination of the importance of smuggling coffee, livestock, sugar, cement, emerald, and other products.

It does state, however, that large quantities of coffee and livestock are smuggled. With specific reference to Colombia's principal export product, coffee, it reported that in 1976 more than 1 million sacks, or 60,000 tons, was sold illegally.

Smuggling of the other products depends on the exchange rate of the peso, domestic prices, and foreign demand.

Of all the profits earned by Colombians on smuggling, whether drugs or traditional goods, only a small portion returns to the country. It is used exclusively to pay the farmers and to meet transportation and production costs, as seen in Table 2.

Another portion of income earned from exports of cocaine, marijuana and other products (nearly 50 percent) goes to Bolivia, Peru, and Brazil to pay for the raw material and the processing. This includes ether, potassium chlorate, and acetone.

One aspect highlighted by the study is the illegal importation of the items used by the mafiosi in processing and transporting narcotics.

Illegal imports of cocaine paste alone were estimated at \$2 million, but no figures are available on the purchase of foreign equipment, chemicals, cosmetics, alcohol, glass items and automobiles.

Dollar Laundering, Skyscrapers

The researchers at the University of St. Gallen concluded that the important thing is to find out what proportion of the money earned on drug trafficking and illegal foreign trade in general actually enters the country.

"It is believed that the capital possessed by Colombians amounts to more than is currently known, and it is also assumed that the capital that is exported (or flees) amounts to much more than is reported to the government."

The study goes on to say that very few dollars are believed to have entered Colombia, because most of the money remains in the United States, on large estates and land holdings in Florida.

Another major portion of these funds goes into bank accounts in the Bahamas through a /dollar laundering/ process. In addition, the drug traffickers own half of the skyscrapers on the Pacific coast of Panama City.

The study also reveals that the Colombian mafiosi even offered to repatriate \$5 billion if Colombian President Belisario Betancur would declare an amnesty for them. This offer came when our country was facing a serious foreign exchange shortage and a high public finance deficit.

Flight of Capital

To determine how much of the foreign currency generated by cocaine, marijuana and contraband actually entered the country, the Institute of the Swiss university analyzed the exchange rate, the movement of international reserves, the stock market, and the development of smuggling itself.

It discovered that the great capital flight from Colombia began in 1975 with the Tax Credit Certificates (CAT), despite the presence of what it calls "negative factors."

"It is surprising," it notes, "that despite the devaluation of the Colombian peso, in the second half of 1970 the black market rate was below the official price of the dollar. This is a rare occurrence, given that devaluation leads to a drastic shift with regard to monetary exchange."

It asserts that since 1982 the flow of capital has increased considerably, and is still high. Even though Colombia and the United States have close ties, however, the smugglers and drug traffickers are making hefty profits.

Citing several published studies from Colombia and U.S. newspaper accounts, the report contends that in 1977 nearly \$3 billion entered the country, of which some \$850 million circulated freely.

"Between January and October 1980, \$407.9 million entered the country through the /illicit teller's window/ (at the Bank of the Republic). During the same period of 1981, more than \$500 million was exchanged."

The study goes on to explain that not all the capital came in through the /illicit teller's window/, which was notorious during the heaviest period of drug trafficking. But since the black market for foreign currency was not stimulated, the circulation of dollars was greater.

"From mid-1970 through 1982 nearly \$500 million was reportedly exchanged, and \$1.5 million has supposedly been exchanged since then. In 1982, however, a decline began in the exchange of pesos, and we believe that only 10 or 20 percent of the earnings from illegal transactions are repatriated," the study states.

Table 1.

Transactions, Exports and Earnings
on the Cocaine Trade in Colombia

(1) Años	(2) Producción Colombiana en Toneladas	(3) Deductiendo lo Confiscado por 10% (90% por columna (1) en Toneladas)	(4) Supuesto Precio al por Mayor en US\$	(5) Transacciones Descuento del 20% Automático Costo por Ganancias	(6) Exportación real de Productos Colombianos	(7) Transacciones que realiza la Mafia de la Cocaina Colombiana
1970	(1)	(2)	(3)	(4)	(5)	(6)
1971	15	14	10'000	140	35	112
1972	22	20	15'000	300	75	240
1973	30	27	20'000	540	135	432
1974	38	34	25'000	850	213	680
1975	47	42	30'000	1'260	315	1'008
1976	53	48	40'000	1'920	480	1'536
1977	60	54	50'000	2'700	675	2'160
1978	68	61	60'000	3'660	915	2'928
1979	79	71	70'000	4'970	1'243	3'976
1980	90	81	75'000	6'075	1'519	4'860
1981	135	122	80'000	9'760	2'440	7'808
1982	153	138	80'000	11'040	2'760	8'832
1983	191	172	80'000	13'760	3'440	11'008
1984	206	185	80'000	14'900	3'700	11'840
	225	203	80'000	16'240	4'060	12'992

Key:

1. Years
2. Colombian Production in Tons
3. Deducting 10% for Confiscations (90% of Column 1 in Tons)
4. Assumed Wholesale Price in US\$
5. Transactions - 20% Automatic Deduction from Profits for Costs
6. Real Exports of Colombian Products
7. Transactions Carried Out by Colombian Cocaine Mafia

This table shows the country's cocaine production, subtracting what is assumed to be confiscated by the authorities, the price for which the alkaloid is supposedly sold, the deductions for costs of chemicals and vehicles to transport the drug, Colombian exports, and the transactions carried out by the Colombian mafia.

Table 2.

Earnings from Illegal Exports
by Colombians (in US\$ x 1,000,000)

Años (2)	(1) GANANCIAS POR CONTRABANDO				Exportaciones oficiales (6)	Ganancias en el exterior (7)
	(3) Cocaina	(4) Marihuana	(5) Otros Productos	Total		
1970	(1)	(2)	(3)	(4)	(5)	(6)
1971	35	n.a.	59	94*	727	95
1972	75	n.a.	70	145*	689	203
1973	135	n.a.	68	203*	969	365
1974	213	n.a.	112	325*	1'177	573
1975	315	279	152	746	1'417	851
1976	480	756	218	1'454	1'465	1'296
1977	675	1'350	396	2'421	1'745	1'823
1978	915	1'954	346	3'216	2'443	2'471
1979	1'232	3'001	n.a.	4'244*	3'003	3'354
1980	1'519	3'686	590	5'795	3'300	4'100
1981	2'440	3'952	n.a.	6'392*	3'945	6'588
1982	2'760	4'212	n.a.	6'972*	2'956	7'452
1983	3'440	4'466	n.a.	7'906*	3'095	9'288
1984	3'700	4'712	n.a.	8'412*	3'073	9'990
	4'060	4'888	n.a.	8'948*	3'340	10'962

[Key on following page]

Key:

1. Earnings from Smuggling
2. Years
3. Cocaine
4. Marijuana
5. Other Products
6. Official Exports
7. Earnings Abroad

The total profits earned by Colombians on drug trafficking and on smuggling in general, and the income from exports, are revealed in this table.

8926
CSO: 5300/2189

BRIEFS

EXCESSIVE ENERGY USERS SANCTIONED--During the inspection of users of over 500 kilowatts, five sugar complexes in Camaguey Province have been sanctioned because of excessive use of energy and six other organizations are under alert. The penalized organizations are the Argentina, Dominican Republic, Siboney, Sierra de Cubitas, and Carlos Manuel de Cespedes agroindustrial complexes which used 600 kilowatts over the planned amount. A workshop at Nuevitas Gonzalo Esteban Jugo mill, the Brazil, Ignasio Agramonte, and Jesus Suarez Ganol cane complexes, pre-fabricated products center number 7, and the Tinima brewery were alerted and will be cut off if they do not adopt urgent measures. The Tinima brewery is in a serious situation because its managing organism did not draw up a consumption plan. [Text] [Havana Radio Reloj Network in Spanish 1813 GMT 26 Mar 86 FL] /9274

HIGH MANUAL CANECUTTING LOSSES--Many of those who follow the sugarcane harvest and its developments do not understand the high levels of losses some complexes are showing in their manual cutting activities. There are some enterprises which leave three times as much cane in the fields as machine cutters in other mills. While the machine cutters have three percent losses at Ciego de Avila's Patria o Muerte mill, Matanzas' Seis de Agosto and Granma mills' canecutters exceed six percent in losses. When the harvest began and the machine cutters were used in the adverse conditions hurricane "Kate" left in the cane fields a number of measures were emphasized. Back when Julian Rizo, alternate Politburo and Secretariat member, warned about the need for quality in the manual cane cutting activities and for its improvement over that of machine cane cutters. Several months have gone by and that warning becomes especially important when we see the results of some cane complexes and we realize that the manual canecutting process has excessive losses in tem of them. Because of its economic implications and the importance it will always have, March should become a month that totally transforms the negative situation several sugarmills are showing in this area. [Text] [Havana Television Service in Spanish 0000 GMT 28 Mar 86 FL] /9274

TIN FROM VENEZUELA--Venezuela has sold 1,800 tons of tin to Cuba in the first operation of that type between the two countries. Venezuela had previously acquired 40,000 tons of scrap iron in Cuba. [Text] [Havana International Service in Spanish 1800 GMT 17 Mar 86 PA] /9274

CSO: 3248/319

EL SALVADOR

VENCEREMOS ANALYZES DUARTE PEACE PROPOSAL

PA250008 (Clandestine) Radio Venceremos in Spanish to El Salvador 1830 GMT 21 Mar 86

[Station commentary: "Napoleon Duarte's Proposals and the Realities in Revolutionary Nicaragua and El Salvador"]

[Excerpts] The counterrevolutionary army that currently attacks the Nicaraguan people from its bases in Honduras and Costa Rica is about to collapse. Sixty percent of the mercenary troops are not in Nicaragua territory and their morale is low. Rather than planning military operations, the mercenary leaders are more concerned over the distribution of the millions of dollars coming from the United States. No one, not even the U.S. military experts, would bet a penny on the contras.

However, for the time being the contras are the fragile hope and the first defensive line for what the Reagan administration calls stopping revolutions in Central America. Reagan must help them, although in reality the contras are the ones who help the warmongering and anti-communist policy of the current U.S. Government. The mercenary Somozist army fully represents the interests of the Reagan administration. Therefore, Reagan is insisting on his battle for the \$100 million. The world is witnessing how the U.S. Congress is brazenly debating whether or not to give \$100 million in weapons and military equipment to an army of real bandits who have killed thousands of Nicaraguans.

Certainly, if this had taken place 10 years ago, the military dictatorships that ruled the majority of the Latin American countries not only would have viewed the aid for the contras favorably, but would have placed their armies at the orders of Washington. However, the continent's geopolitical map has changed. Actions that were unheard of 10 years ago occur these days more and more frequently. For example, eight Latin American foreign ministers traveled to Washington to tell President Reagan that their governments disagree with the U.S. aid for the counterrevolutionary army. Aside from Salvadoran and Honduran Presidents Duarte and Azcona, no government has favored the big stick policy that the U.S. Government practices in Central America. Washington is isolated in its aggressive policy.

However, Reagan must help his mercenaries. What to do? At this point, Napoleon Duarte comes onto the scene, waving a peace proposal for Central America.

If we pause and analyze Duarte's peace proposal, it is obvious that the proposal is not his, and that it is not a peace proposal either. Why? Let us see. The proposal has three points: 1) A summit of Central American presidents; 2) creation of a Central American parliament; 3) simultaneous and separate meetings between Duarte's government and the FMLN-FDR, and between the Nicaraguan government and the contras. The two first points in Duarte's proposal are really initiatives of Guatemalan President Vinicio Cerezo. By introducing the third point, conditioning talks in El Salvador, he is also conditioning and hampering Vinicio Cerezo's initiatives as well as those of the Contadora Group. This is precisely what the Reagan administration wants: to block all peace initiatives in the region.

The Nicaraguan revolutionary government will never hold talks with the Somozists, as they represent the interests of the Reagan administration. Hence, it should be the Reagan administration who should hold talks with Nicaragua, as it created and currently directs and finances the counter-revolutionary army. In this sense, Duarte, better yet the Reagan administration, introduced the Nicaragua-contras element in the dialogue as a factor to hinder and obstruct any other realistic and serious peace initiative. Duarte's proposal is only the translation into Spanish of a U.S. maneuver to favor its warmongering counterrevolutionary plans in Central America.

Furthermore, Duarte's proposal is aimed at giving the contras a representativeness they lack, at a time when the opposition to the mercenary war against Nicaragua in the U.S. Congress and on the continent is strong.

The reactions from the majority of the Latin American governments in the face of the Reagan-Duarte proposal range from the very particular stance adopted by Guatemala, passing through the ambiguous position of Costa Rica--which finds itself struggling between its desire for peace and economic pressures--to open rejection, as in the case of Peru, Argentina, Mexico, and other countries. Only the isolated voice of Azcona in Honduras enthusiastically and fully supports Duarte's proposal. In fact, it is shameful that Duarte's government spokesmen should brag about the support given by Azcona, who is known in diplomat circles as the new administrator of the U.S. aircraft carrier USS Honduras.

The Reagan-Duarte proposal, which is really a maneuver to favor the counter-revolutionary war, has received no support from the other Latin American countries or from the European countries.

Although the process in the U.S. Congress is a secondary aspect, since the \$100 million is secured one way or another, it is an indicator of the degree of opposition that the Reagan administration would face, should it decide to escalate its intervention in Central America, by sending troops, for example.

Now, why is the Reagan administration so interested in the contras? What is the reason for the desperation that has led Reagan to tell the biggest lies and to make the most ridiculous statements a U.S. president has ever made?

Since the beginning of the past decade, U.S. imperialist policy has faced a difficult situation in Central America. The situation became even worse on 19 July 1979 with the victory of the Sandinist People's Revolution. The 1980's found Central America with a triumphant revolution and growing revolutionary movements in El Salvador and Guatemala, while Honduras and Costa Rica faced acute economic crisis which fostered social crises. Could the United States reverse this situation by sending its Marines when it is impossible to eliminate the Vietnam ghost from its circles of power and from U.S. society?

In Lebanon, 240 bodies of U.S. soldiers were enough for the Reagan administration to order a shameful pullout. Within this context, the United States has created the counterrevolutionary army as a defensive frontline for Reagan's policy in the region. The counterrevolutionary army is an artificial and mercenary war project. It has no internal political basis, and it is about to collapse altogether.

According to U.S. analysts, if the contras collapse, the current administration's warmongering policy would be defended in a second phase by the worn-out and beaten-up Salvadoran Army.

In addition, after the Vietnam disaster, the U.S. strategy seems to be: Washington supplies the dollars, and the natives supply the dead. An invasion by the Marines is not very likely right now. So Reagan must prolong the life of his defensive frontline. Hence, his intention is to give the contras international representativeness and internal political presence. The contras have not been able to open the much-desired internal front. Managua's Bishop Obando y Bravo has played the role of an internal front. Reagan's objective by opening internal political leeway for the contras is to restore their badly-hurt military strategy. Therefore, although the \$100 million is already secured, the political battle in the U.S. Congress is important for Reagan. It is also for this reason that he has sent his star diplomat Philip Habib to the region, escorted of course by the "USS IOWA" and other battleships.

However, the geopolitical framework is unfavorable for Reagan's plans. Who on the continent could help Reagan help the mercenaries? Only Napoleon Duarte could. Duarte's peace proposal is made within this context. As we said before, it is neither Duarte's initiative nor a peace proposal. It is a political maneuver of the Reagan administration to hamper the peace efforts in the region and to favor the counterrevolutionary war.

We will conclude this analysis by saying that Duarte made a proposal to help Reagan in obtaining aid for the Somozist contras, who constitute the defensive frontline of the Reagan administration's interests in the region.

Let us suppose the contras are given the \$100 million. Let us suppose the U.S. congress approves Reagan's request. Reagan would have played another card in his interventionist escalation. The contras would have more weapons, even missiles. The Nicaraguan Government would heighten their defense even more. The people would be more patriotic, revolutionary, anti-imperialist, better armed, and would fight against the Somozist with more determination.

The revolution would become even more radical, in order to defend itself. The contras would fire their missiles, and this action would have repercussions in all of Central America. A year later, the contras would be even more defeated and Reagan would be asking for more millions of dollars: \$200, 300, or 500 million for the contras, and, in the end, the mercenaries would be irretrievably defeated. Meanwhile, the Sandinist revolution, having defeated a stronger enemy, would be strengthened. The defense of the imperialist interests in the area would then be transferred to El Salvador, where a battered, demoralized, and worn-out army would have to continue facing a powerful FMLN, which would have even closer ties with the people amid a political, economic, and social crisis. How long would the Salvadoran Army resist? Would the Marines then be sent to Central America to try to do what neither the counterrevolutionary army nor the Salvadoran puppet Army were able to do?

/9599

CSO: 3248/303

MEXICO

CITIZENS QUESTIONED ON READINESS TO SACRIFICE FOR NATION

Mexico City EXCELSIOR in Spanish 14 Mar 86 p 4-A

[**"Minisurvey: Sacrifices,"** by Adip Sabag. Survey carried out by Mexican Public Opinion Institute in the Federal District between 10 and 12 March 1986. Five hundred and fifty-two persons over 18 years of age were selected by quota method (e.g., sex, age), in accordance with data from the latest population census.]

[Text] What sacrifices would you be prepared to make in order to help the country emerge from the current crisis?

Cut in salary	6%
Work more hours without pay	29%
Pay more taxes	9%
Accept higher prices on government products and services (gasoline, electricity, telephone, etc.)	10%
Accept a reduction in social services (hospitals, schools, etc.)	19%
Other	21%
No answer	15%

(Percentages do not total 100 because of multiple answers)

/9274
CSO: 3248/278

MDN ISSUES COMMUNIQUE TO MARK EIGHTH ANNIVERSARY

PA272233 San Jose LA REPUBLICA in Spanish 18 Mar 86 p 7

[Communiqué issued by the Nicaraguan Democratic Movement, MDN, entitled "Eight Years of Struggle"; no date or place given; words within slantlines published in upper case]

[Text] We were born on 16 March 1978. We have existed for 8 years, and each one has made us participants in Nicaragua's stormy history of recent times.

We were born under the historical premise that politics should be handled by honest men who traditionally had been sidelined in the face of the great national problems. Under the slogan "Our Time is Now," we broke into national history to be a determining factor against the tyranny of the previous regime with which Nicaragua was afflicted. We triumphed in our struggle and we were betrayed by those who, not caring about the heroic blood of our people, took power to impose a totalitarian dictatorship of Marxist-Leninist leaning.

We bravely stood up against the new Sandinist tyranny, and today, some inside and others outside the country, we continue to struggle to establish a regime of progress and social justice in Nicaragua, in which the ballot box will define the country's destiny and make social, economic, cultural, and political democracy possible.

On this 16 March 1986, our eighth anniversary, we want to reaffirm the concepts expressed in our political ideology, which places the interests of the /fatherland/ above party interests.

We therefore categorically declare that:

1. The MDN is committing all its efforts solely and exclusively to the rescued, the blemished /fatherland/ from the Cuban-Soviet invaders.
2. Our party renounces all efforts that would lead to a futile struggle for a share of power, because its main task today is the recovery of the blemished fatherland. At the same time we reaffirm our sacred duty to participate actively in the struggle for liberation.
3. Without the /fatherland/ there can be no party; therefore, our partisan struggle will make sense only after we have recovered our /fatherland./

4. We believe that the recovery of the /fatherland/ will not be possible without the participation of /all/ Nicaraguans; therefore we wave the banners of dialogue and unity among all political groups that are combatting the Sandinist military regime. We therefore today form part of the /Nicaraguan Opposition Unity,/ which brings together all political parties and other fighting groups.

5. An analysis of the tragic situation of our country: A fierce persecution of all Christians, unprecedeted offenses against our Cardinal Obando y Bravo, an absence of all freedoms, and constant disrespect for human life have made us reflect more and realize that we have only one adversary and enemy, and that is the FSLN military regime. We therefore urge all parties, unions, and business and professional organizations to consolidate in /unity/ to strike the final battle to rescue our /fatherland./ In this way, putting Nicaragua's interests above those of our party, we celebrate our eighth anniversary today, with great dignity and patriotism.

God Save Nicaragua.

Fatherland and Freedom

MDN National Council

Executive Board

Eng Alfonso Robelo Callejas, President
Eng Fabio Gadea Mantilla, Vice President
Eng Roberto Urroz Castillo, General Secretary
Eng Carlos Abarca Cuadra, Treasury Secretary
Eng Alvaro Icaza Vargas, Treasurer
Eng Jaime Vega Luna, Secretary of International Relations
Dr Walter Balladares Llanes, Secretary of Circulation and Propaganda

Departmental Representatives

Nestor Matute P
Dr Mauricio Mendieta H
Oma Halum C.
Eng Eduardo Morales S
Eng Jaime Solorzano U
Augusto Calderon L
Martha de Melendez
Eng Carlos Zeledon
Alfredo Guzman
Juan Francisco Castillo

Disciplinary Court

Mario Benito Darce Q
Mauricio Telleria G
Carlos Martinez S
Ramon Valdivia

Functional Organizations

Zacarias Hernandez B
Jeannett de Calderon
Mario Torres R
Ariel Sotomayor M

/9599
CSO: 3248/302

EPISCOPAL CONFERENCE ON CAMPAIGN TO DIVIDE CHURCH

PA221747 Madrid EFE in Spanish 1218 GMT 22 Mar 86

[Text] Vatican City, 22 Mar (EFE)--A communique issued by the Nicaraguan Episcopal Conference was published today at the Vatican. The document protests a campaign launched by members of the Sandinist government aimed at dividing the church and expresses a willingness to begin church-state talks in order to overcome the "current difficulties."

The text of the communique has six points:

"The bishops of the Nicaraguan Episcopal Conference, aware of the grave moments confronting the country and the church, express the following:

"1. We regret that often, above all recently, ecclesiastical representatives who are in an irregular situation with the church have attacked and slandered the church and its legitimate authorities with the logistical support of the government of the Republic.

"2. We note the seriousness of recent reiterated statements made by the Nicaraguan foreign minister which endanger the security of the bishops and church representatives, and demand clarification from the national government on whether the foreign minister's statement reflects the government's official policy or if he merely voiced his personal opinion.

"3. We believe that such attitudes increase the breach between those ecclesiastical representatives and the church, as they are responsible for inciting or encouraging disobedience toward the church's legitimate pastors; that is the Pope and the bishops who care in communion with him.

"4. We feel that this campaign is aimed at dividing the church, as we have said before, and that, in addition, it is a strategy to divert Nicaraguans attention from the grave problems of violence, the high cost of living, insecurity, and the shortages they are confronting.

"5. We are making a special call to the priests and the faithful, who are asked not to be misled by this strategy, and we urge them to adopt a position of meditation and prayer in order to contribute to the solution of these

problems in a Christian way strengthened by the Holy Communion and the protection of Blessed Mary.

"6. Once again we express our willingness to seek ways to overcome the difficulties between the church and the state through dialogue."

The communique is dated in Nicaragua on 21 March and is signed on behalf of the Episcopal Conference by its secretary Msgr Bosco Vivas Robelo, the auxiliary bishop of Managua.

/9599
CSO: 3248/302

NICARAGUA

PSC LEADER CALLS DRAFT CONSTITUTION 'TOTALITARIAN'

PA232308 San Jose LA NACION (NICARAGUA HOY Supplement) in Spanish 15 Mar 86
p 4c

[Text] Managua--Erick Ramirez, president of the Social Christian Party of Nicaragua, charged today that the draft constitution that has been presented by the National Assembly is "totalitarian and antidemocratic."

The National Assembly, which is completely dominated by the FSLN, recently presented a draft constitution that must be approved by the beginning of January 1987, at the latest.

Ramirez said that the document that has been presented does not clear up the confusion that exists between the state, the Army, and the governing party in Nicaragua.

The political leader noted: "Because of this, the draft constitution is already a failure."

The veto power that President Daniel Ortega will have if the Sandinist constitution is approved "is too broad and vague," and his participation in the preparation of the national budget will also be too broad and vague, he said.

Ramirez also criticized the inclusion in the constitution of a clause establishing "the obligatory military service" of young Nicaraguans, a situation "that has caused much pain to the families of Nicaragua."

/9599

CSO: 3248/302

PARAGUAY

ALDO ZUCCOLILLO ON FREEDOM OF PRESS, STROESSNER'S REELECTION

Freedom of Press

PY222051 Asuncion Radio Primero de Marzo in Spanish 1445 GMT 22 Mar 86

[Article by Eligios Farina]

[Text] We spoke with Aldo Zuccolillo, director of the newspaper ABC COLOR, on the occasion of the second anniversary of the closing of that paper.

[Begin recording] [Farina] Good morning, Mr Zuccolillo.

[Zuccolillo] Good morning. Cordial greetings to all listeners of Radio Primero de Marzo. We are now recalling the second anniversary of the closing of our newspaper. In fact, so far we are rather surprised over the fact that the government has not yet provided evidence for the accusations made against us. However, we are still waiting for some event that could result in the reopening of the newspaper.

[Farina] Would this event be of domestic or foreign nature?

[Zuccolillo] Well, the event could be of any nature. It can be an order from the very government of Paraguay allowing us to reopen the newspaper. Just as 2 years ago, when one morning at 1100 we received a very polite gentleman who carried a piece of paper saying: the newspaper is hereby closed. In the same manner we hope that another man equally polite will come to us bringing from Minister Montanaro another piece of paper saying that the newspaper can be reopened.

[Farina] To refresh the minds of our listeners, what is the situation of the legal aspect? As far as we can remember, a petition was presented to the court asking that the closure be declared unconstitutional. But this petition was rejected, isn't that true?

[Zuccolillo] Well, if the court rejects a petition to declare an order unconstitutional, then, there is nothing else we can do. We understand that freedom of expression and thought are provided for by the national Constitution, and when a minister of the executive branch decides to close a means of communications, and in addition, does not provide any evidence for

the accusations, and when the Supreme Court says that we have taken the wrong path to request the protection of our rights, there is nothing else we can do. No one has more power than the Supreme Court in Paraguay.

[Farina] Do you have any unofficial report about whether there is a chance of reopening the newspaper in the near future?

[Zuccolillo] Well, we do not have any sort of suggestion or anything like it. Moreover, we believe that should there be any type of suggestion for reopening, there will be serious restrictions to the movement of our reporters. Perhaps the government will even ask us to dismiss some of our reporters, such as Alcibiades Gonzalez del Valle, or Edwin Britez. These boys have conducted very tenacious work, trying to explain aspects of our national life, during the time our newspaper had circulated. Should the government ask us to dismiss any of our employees, it will represent a tremendous obstacle, and we would never accept it.

[Farina] Many people feel that ABC COLOR had predicted, prophesized so to say, what would happen afterward, that is, such cases as the evasion of foreign currency, and other government administrative issues being questioned now. Did ABC investigate these issues thoroughly, Mr Zuccolillo?

[Zuccolillo] There is no need to have been or to be a magician to predict what could happen when the conditions were appropriate. For us it was very simple. Moreover, all the people could see what was happening, and they all thought the same thing. There was a very serious risk with the official dollar rate at 240 guaranies, while on the parallel market it was sold at a rate of 800 guaranies. This was one of the many aspects to consider. So, we think that there is no need to be a soothsayer to realize what can happen. Let us take an example. If you place a naked woman in the middle of prison yard, it is very easy to presume what will happen to her. The same thing happened here in the country.

[Farina] Mr Zuccolillo, do you consider the negotiations that are being made, important, for example, the organization that was here not long ago, the Americas Watch, and other foreign organizations that, to some extent, are concerned about the situation of ABC COLOR, because they usually mention this newspaper in their reports or investigations.

[Zuccolillo] They are extremely important and hopeful, because taking into account remarks made by government officials, there is absolutely no hope for the implementation of freedom of expression here. Therefore, I believe that when people from outside come and express concern over the situation, or make a report which then reaches all international institutions, all governments, and all democratic parties of the west, the officials feel rather inhibited about saying that there is democracy in the country. You know that there can be no democracy where there is no freedom of expression. Not only at national level, but within an institution, in a house, or wherever. Where there is no freedom of expression for the persons who constitute the nucleus of that family, it will be very difficult to say that there is democracy. The same

thing is happening in our country. Press freedom is the basis of all other freedoms, rights, and guarantees of the citizens. And right now we do not yet have press freedom, and we will continue in this manner for as long as a communications medium, regardless of its name, remains closed.

[Farina] Mr Zuccolillo, many people also wonder whether you will persist, or whether you will change your position to achieve the reopening of the newspaper?

[Zuccolillo] Well, we have no other alternative. Our hope blossoms again when President Reagan refers to our country and to our government. Our hope blossoms again when we receive letters from influential political leaders from the Western world expressing regret over what is happening with our newspaper. As the days pass, we feel that we are closer to the reopening of the newspaper. And more than that, we are also closer to the day when we will enjoy freedom of expression in our country.

[Farina] Thank you very much, Mr Zuccolillo. It was very kind of you to answer our questions. [end recording]

Reelection View

PY211614 Paris AFP in Spanish 0357 GMT 20 Mar 86

[Text] Asuncion, 20 Mar (AFP)--Aldo Zuccolillo, the director of the daily ABC COLOR, which was suspended by the government on 22 March 1984, today told AFP that General Alfredo Stroessner will decline to be a candidate for an eighth term as president in 1988.

The spirited 57-year-old journalist said that he has lost all hope of having his newspaper back on the streets as long as Gen Stroessner is in power.

ABC COLOR was closed on 22 March 1984 by a government resolution after 16 years of journalistic activity on charges of subversion against the government and of inciting hatred among Paraguayans.

The closure of the newspaper, which had the largest circulation in the country, left about 5,000 people without work, and some of them had to work for other newspapers in the capital to make a living.

Zuccolillo, who was proposed by an opposition leader as the single candidate of the opposition to face Stroessner in the March 1988 presidential elections, said that none of the charges made by the government to justify closing the newspaper was proven in the court.

He added that on the contrary, all the potential problems that ABC COLOR warned about developed, and the country is now immersed in a profound political, economic, and social crisis, which is going to get worse fast if the government ignores the corrective suggestions.

Zuccolillo pointed out that the spectacular and incredible theft of foreign currency from the state, which was reported last year, was predicted by ABC COLOR when the multiple exchange rate system was established (official and parallel dollar rate) and that this prediction irritated the government.

He added: We alerted the people about the government and Armed Forces' rampant corruption, and those reports contributed to the closure of the newspaper.

He emphasized that nowadays in Paraguay the people who hold power are competing to get rich quickly, predicting the imminent collapse of the government.

Regarding the country's political situation, he said that in Paraguay, the opposition is disorganized and silent as a result of the tricks created by the antidemocratic regime.

He said that many people have associated Duvalier's fall in Haiti and Marcos' fall in the Philippines with Paraguay and Chile because of the military nature of these regimes.

Zuccolillo pointed out that after 32 years of tough and atrocious persecution, the political opposition cannot react because of the regime's artificial laws, which prevent the opposition from developing. These include police harassment of opposition leaders, the state of siege, and the prohibition against assemblies.

He explained that the most outstanding political leaders have either been sent into exile or persecuted 24 hours a day, their telephones cut off or tapped, and that they are only allowed to go from their homes to work and back.

He said that under these terrible conditions, similar to the conditions prevailing in Poland, Cuba, or Nicaragua, the opposition cannot develop.

Zuccolillo also praised the efforts of the Catholic Church to cooperate in persuading Stroessner to talk with the opposition.

Asked about Stroessner's candidacy, which has been officially announced by the regime's Colorado Party, Zuccolillo said that Stroessner will not accept another reelection.

He added that Stroessner will name a civilian to replace him and then take over command of the Armed Forces to continue in power thus using the same strategy of General Torrijos in Panama.

Expanding his theory, Zuccolillo said that Stroessner knows that power in Paraguay lies with the Armed Forces and not with the civilians or political parties.

Zuccolillo added that Stroessner knows that his eighth reelection would not be accepted because even the few who are ignorant of our situation would label him as dictator.

He said that with this political game, Stroessner will disconcert international public opinion, which considers him, along with Pinochet, as one of the most hated dictators.

The ABC COLOR director discarded any possibility of political transition while Stroessner is in power because for that it is necessary to have democrats among politicians and officers.

Asked what political party he belongs to Zuccolillo said that his party is Paraguay and "I will continue with that as long as I have a breath of life no matter how it bothers the country's dictators or their allies."

/9599
CSO: 3348/475

PARAGUAY

DAILY INTERVIEWS ALDO ZUCCOLILLO IN BRAZIL

PY090145 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 8 Mar 86 p 6

[Article by special correspondent Jose Maria Mayrink]

[Excerpts] Paraguayan journalist Aldo Zucolillo left the meeting of the Inter-American Press Association [IAPA], which met this week in Salvador and discussed freedom of expression through the Americas, without the smallest hope of reopening the newspaper ABC COLOR, which was closed down exactly 2 years ago by General Alfredo Stroessner's government.

Zucolillo stated that "my country has to carry out an urgent political reorganization and in my opinion Brazil could serve as an example." He also pointed to the overthrow of the Duvalier dictatorship in Haiti saying that it could be Stroessner's turn next, and noted the ever-increasing pressure of the Catholic Church and the diplomatic offensive of the United States.

The pressure applied by the Catholic hierarchy began 1 month ago when Msgr Ismael Rolon, the Archbishop of Asuncion and president of the Paraguayan Episcopal Conference, proposed to the executive board of the Colorado Party the opening of a dialogue with the opposition and the return of exiles to Paraguay.

The proposal was supported by the opposition parties and by the leaders of the political groups that are not officially recognized. However, the measure also attracted a series of attacks from leaders of the Colorado Party, which supports Stroessner.

The harshest government reaction was against U.S. Ambassador Clyde Taylor, who since January has been holding meetings with recognized and unrecognized opposition groups to discuss Paraguay's problems, including the foreign debt and the church's proposal.

The newspaper HOY, one of Asuncion's five pro-government newspapers, insinuated in a commentary that the U.S. Embassy could be burned down by the people and it recalled that during Ambassador Robert White's tenure a U.S. flag had been burned in front of the embassy. "We have our problem, but we Paraguayans are used to resolving them ourselves," the same article warned.

Journalist Aldo Zuccolillo, who was interrogated by the police in November 1985 after a trip to the United States, has stated that Paraguay's hope resides with "the air taxi [taxi-aereo] that Reagan sent in Haiti and the Philippines in order to remove their dictators." His evaluation of the country's future:

"Despite all opinions, I am convinced that Stroessner will not become a candidate in order to be re-elected once more in the February 1988 elections: I believe that he will pick a civilian and, as Omar Trujillo did in Panama, remain in his role as commander in chief of the Armed Forces and in that way try to gag all the foreign criticism against him. Stroessner does not consider himself a dictator and he argues that there is peace and calm in Paraguay. He mistakes peace for the fear of the people."

[Asuncion HOY in Spanish 15 February on page 10 carries a commentary by newspaper owner, Humberto Dominguez Dibb, in one paragraph of which he says:

"I don't want to engage in a controversy with Mr Taylor. Yet I want to tell him: Stop meddling in our domestic affairs. We have problems, but we Paraguayans are used to solving them ourselves. We already had to deal with one of your predecessors, Mr Robert White, who came with his strange ideas. The people demonstrated against him and burned the U.S. flag in front of the U.S. Embassy, and the people were right, because White attempted to create anxiety here. Since he did not succeed, he went to El Salvador, where he got the people stirred up and even supported the guerrillas. Therefore, Mr Ambassador (if you deserve to be addressed like that), stop holding meetings with communists at your embassy, because, instead of a flag, it is your embassy which could be burned."]

/9599
CSO: 3348/477

PARAGUAY

EL PUEBLO INTERVIEWS ALDO ZUCCOLILLO

FY262018 Asuncion EL PUEBLO in Spanish 26 Mar 86 pp 4, 5, 6

['Exclusive' interview granted by Aldo Zuccolillo, former director of government-closed newspaper ABC COLOR, to EL PUEBLO journalist Jose Luis Simon last week--no place given]

[Text] [Simon] ABC COLOR was closed by a dictatorial as well as totalitarian measure. You are forced to remain silent in your country. What do you have to say about this?

[Zuccolillo] The serious thing is not to prohibit one from speaking. The serious and important thing is the lack of freedom of expression in our country, and that affects everyone. With the closing of ABC COLOR they have left the people without a spokesman, which is very harmful for the evolution of institutions. We call ourselves a democratic country; if this were the case, the laws should be the only limits on freedom of expression. An Interior Ministry by no means should decide which newspaper or radio is authorized to voice its opinion.

[Simon] During his recent and insignificant visit to Europe, Foreign Minister Saldivar maintained that no arbitrary decision was made in the ABC COLOR case.

[Zuccolillo] Of course, he has to sing to the government's tune. The same goes for the Supreme Court of Justice. Even Argana [president of the Supreme Court of Justice] will have the opportunity in the future, when there is freedom, to defend his approving such measures as the closing of ABC COLOR. Many others will have the same opportunity.

[Simon] President General Alfredo Stroessner has stated that his government "is not in a deficit with democracy." What do you have to say about that?

[Zuccolillo] But what democracy is General Stroessner talking about? Is he talking about the 32-year-old state of siege? About the amendments made to the National Constitution so that he may remain as president-for-life if he so desires? Of the police forces that persecute the members of the MOPOCO [Colorado Popular Movement] day and night? About the police cordon that prevented, not "protected," access to the Febrerista Revolutionary Party [PRF]

meeting? I personally witnessed that. What democracy is President Stroessner talking about? He could talk about democracy if freedom of expression existed....

[Simon] I am certain that those in charge of the dictatorship's propaganda will state that this interview proves that "there is freedom of expression in Paraguay."

[Zuccolillo] The fact that I am able to express my opinion through this newspaper does not mean that there is freedom of expression, which is something much broader: freedom of expression means that all citizens can equally voice their opinions.

[Simon] In countries where freedom of expression exists even the Executive Branch can be criticized without any restrictions except for those imposed by law. Is that right?

[Zuccolillo] That's right. I wonder why we cannot criticize the president of the republic in our country? He is a public servant who is paid by the taxpayers. He does not own the country. I believe that criticism should be free and that everyone should be responsible before the courts for what he says. The interior minister cannot administer justice. The interior minister cannot close down a newspaper. This must be ordered by the court but the court must adopt the decision after deliberating, not, as in the case of ABC COLOR, after the minister closed down the newspaper. The court then openly eluded the issue.

[Simon] Mr Zuccolillo, let us change the subject. Wouldn't you like to share ABC COLOR's journalistic success with your colleagues of JOY, EL DIARIO NOTICIAS, and ULTIMA HORA newspapers.

[Zuccolillo] It is easy--publish a good newspaper that is accepted by the readers. In the first place, those newspapers' directors should overcome fear. In the second place, they should break their commitments to government officials. In the third place, they should serve the readers. With this formula they could publish a newspaper not like ABC COLOR but a much better one.

[Simon] How did ABC COLOR overcome fear? Did it have any commitments to Stroessner's government and if so, how did it go about breaking them?

[Zuccolillo] We never had any commitments to anybody because opening a newspaper full of commitments means restricting it right from the start. Our purpose, right from the start, was to serve two helpless sectors in this country, I repeat, helpless sectors, and I am referring to the taxpayers and the consumers. Our commitment has always been to those sectors....

[Simon] But you are not going to tell me, Mr Zuccolillo, that there haven't been two quite different ABC COLORS. One, which for a long time was also insignificant, and another, which became the country's critical conscience. The second ABC COLOR was the one that was closed down. How do you explain this process?

[Zuccolillo] The thing is, we started to wear long trousers. One, for example, cannot invent journalists. A lot of time elapsed before we were able to have journalists of the kind we have in our country today. When we opened the newspaper we could count on the fingers of one hand the number of journalists available. They were old-fashioned journalists, very respectable people nevertheless, but they were journalists accustomed to a calm and relaxed country in which guaranias [Paraguayan folk songs] are sung, to a country that no longer exists simply because times have changed.

[Simon] Let us speak about fear. How did you manage to overcome it? What was the process in this regard?

[Zuccolillo] What we used to do was to discuss our fears among ourselves. We compared them and afterwards, we came to the decision to publish this or that. I would say that in the end we got used to our fear. Here inside the newspaper editing room, everyone had his sleeping mat behind the door in case the police came to take someone. And this happened several times. We simply did not want to be overcome by fear. Right now, because of this interview, I am positively sure that the government propaganda media will say barbarous things about me....

[Simon] Then, that makes two of us who fear this interview, Mr Zuccolillo.... But it seems that recently, many Paraguayans no longer want to be dragged down by fear. Do you agree with that?

[Zuccolillo] Of course. And this is the result, or partial result of Stroessner's government's action, and of the very situation we are experiencing. Internationally, we have better means of communications. The Paraguayans of today are not the same as those of 1954. They already have different views of things. They listen to national and foreign radios. They get information through national and foreign television services. They go to movies...read newspapers and magazines.

[Simon] Are you telling me that Gen Stroessner is like the sorcerer's apprentice of the fairy tale, who unleashed an infernal fire he could not put out?

[Zuccolillo] No. I would not put it that way. Stroessner is very astute. Politically, he is a fox, and I believe that in time, perhaps, with more coolness, we will be able to analyze the characteristics of this gentleman. Today we are all annoyed by the arbitrary and dictatorial manner in which he handles the country. In time perhaps, we will forgive him some mistakes, and perhaps we will stress others.

[Simon] Before going into political predictions, let us talk about the political situation in our country now. What do you think about it, Mr Zuccolillo?

[Zuccolillo] With pleasure. I believe, as I stated before to O ESTADO DE SAO PAULO, our country must be reorganized politically. You just cannot hand pick all public employees....

[Simon] The first qualification for being handpicked is membership in the Colorado Party...but what you are proposing involves a democratic process....

[Zuccolillo] We are on the eve of democracy. I believe that democracy is about to be born in this country. However, there is something that worries me. Talking about Paraguay, a well-known foreign journalist told me that democracies are always born in bloodshed. That hurt me. Ever since I heard that I decided to make every effort through the newspaper to try to achieve a peaceful transition from what we now have to what we will have in the future.

[Simon] Do you believe that is possible?

[Zuccolillo] I believe so because there is now a very important factor with a great deal of influence: President Reagan's decision...however much the government might dislike it.

[Simon] Are you talking about Haiti and the Philippines?

[Zuccolillo] About all the pressures from Reagan, Shultz, Abrams, etc., on Paraguay. The Reagan administration can hardly think this is a democracy in light of the reports on human rights in Paraguay released by the U.S. Embassy and published by EL PUEBLO. This is a very important factor. Therefore, I believe that Gen Stroessner's situation is very delicate. And I believe that President Stroessner, with the political experience he has, knows this very well. I seriously doubt that he is unaware of the risks his government is running under the current conditions. This is why I believe I am the only one who has a different idea of what is going to occur in the next elections....

[Simon] Tell me what, for example.

[Zuccolillo] I am certain that President Stroessner will not accept the presidential candidacy....

[Simon] Do you believe this is possible? Do you sincerely believe it? Do you have confidential information?

[Zuccolillo] I do not know. I have a hunch. I believe he is going to choose a civilian candidate....

[Simon] Stroessnerism without Stroessner?

[Zuccolillo] No...he will remain commander in chief, where his real power is.

[Simon] Then the political situation would not change at all.

[Zuccolillo] Yes it would because there will be a civilian president. It would no longer be the government of President Stroessner. It would be the government of the Colorado Party and of course Gen Stroessner would continue

to govern from the armed forces command...as Torrijos did in Panama. This is not a new formula.

[Simon] Of course, but that would not imply any progress toward democracy either.

[Zuccolillo] I do not know whether that would imply any progress from the viewpoint of the power of the alleged civilian president. But it would be a decisive move that would serve propaganda objectives abroad.

[Simon] I do not know whether this could help break the current international political isolation of the neo-Colorado, Stroessnerist regime.

[Zuccolillo] All that can change. Can you imagine what would happen if they choose a man like Dr Argana [Supreme Court president] as presidential candidate?

[Simon] Then it would not be a transition toward democracy, but just another manipulation of democracy. Can you imagine a democracy in which the executive branch receives orders from the armed forces commander?

[Zuccolillo] Yes, you are right. But while the armed forces continue to play the political role that they have unfortunately been usurping since the founder of your party....

[Simon] Please excuse me, but I cannot say that I have worked for the PRF's cause because I am not a PRF member. As the editor of the newspaper EL PUEBLO, however, I have worked closely with PRF compañeros....

[Zuccolillo] I did not know that.... But I reiterate that after 17 February, civil power gave way to the military in our country....

[Simon] I believe the militarization of our political life did not begin in 1936 but at the end of the 1870 war. In his book "The Second Republic," Ricardo Caballero tells us about the true nature of "Caballerism" [from Colorado Party founder Bernardino Caballero]. At that time there were no military institutions as there were at the end of the Chaco war, but that is something else. In Paraguay, political events have almost always been marked by the use of force....

[Zuccolillo] But don't you agree that the situation has worsened after 17 February...?

[Simon] There is still a lot to be said about this. But let us not concentrate on historical matters. Let us return to the present, for example to the dictatorship's international political isolation.

[Zuccolillo] To a considerable extent, that situation stems from the fact that the government did not properly assess the consequences of the closure of ABC COLOR. Following that action, the world's democratic press turned its eyes toward Paraguay. This has attracted foreign journalists, who investigated the

situation in our country, but not through the government's propaganda. And that was the beginning of an international public opinion movement that has opposed the Stroessner administration.

[Simon] I am thinking of the television program on the U.S. CBS network (the transcript of which was published in EL PUEBLO) [60 minutes segment on Paraguay] and of the latest annual IAPA meeting in Bahia, Brazil. And yet, here they continue speaking of "a worldwide communist campaign of dis-information about Paraguay."

[Zuccolillo] I ask myself: What does Gen Stroessner expect, with radio programs like the Voice of the Colorado Party and articles and editorial like those in PATRIA, attacking U.S. Ambassador Taylor, and even being disrespectful of President Reagan? Does Stroessner believe that his external image will thus be improved? But, no! It works the other way.

[Simon] Mr Zuccolillo, Fernando Levi Rufinelli proposed you as the candidate of the opposition for the 1988 elections, with the intention that you head a government of transition to democracy over a 2-year period. Will you run?

[Zuccolillo] For me to tell you that I am a candidate for some position would be a contradiction. I maintain that politicians must be well-educated people. We can no longer hand power to a general who has 10,000 machineguns, or to a Daniel Ortega, who has 5,000 guerrillas, or to a Fidel Castro. We can no longer hand the government over to people who are not prepared for the job. To govern our countries is becoming more difficult all the time because we have serious political, social and economic problems that must be solved. Ill-prepared people will not be able to resolve them. Just imagine, General Barrientos as finance minister.... Just imagine the complexity of the nation's economic problems and General Barrientos as finance minister. I am against lack of preparation for a job in whatever area. To command an army in war, I would choose the best general; and to lead a government, the brightest of our politicians, regardless of which party he comes from, the one who proves to be the brightest in 24 months of exposure on television and newspapers, expressing his ideas and confronting them with the ideas of other politicians. This is democracy. Only then would I choose the candidate, one who is capable. We only need capable men in government...that's all.

[Simon] What's your opinion about the leaders and parties of the opposition?

[Zuccolillo] They are quite critical and very negative....

[Simon] Why?

[Zuccolillo] I do not know if it is because of lack of communication, but of all the politicians, none of them convinces me. I am very sorry to have to say this. I have the same respect for all of them and I feel a great deal of solidarity with them. I would be happy to find out that there are in the opposition, politicians who have prepared themselves to become president, or finance, industry, or commerce ministers. I am afraid that many of our opposition leaders have wasted their time. Perhaps being persecuted, living in

exile, or trying to make a living. Politicians must be willing to bear the burdens and to continue being politicians and improving themselves.

[Simon] I believe your criticism is unjust. You are forgetting an almost totalitarian dictatorship for over 30 years. What opposition leader has had access to a public position under the Stroessner administration? And we are not talking about the persecution or the leadership that has been destroyed by the dictatorship. Also, what serious congressional experience or national or regional administrative responsibility have opposition leaders had since 1947? They were even prevented from having economic stability. It is true that leaders do not just materialize. This is one of the characteristics of democracy. Here not even the municipal intendants are democratically elected....

[Zuccolillo] This is how it should be started...things begin that way...from the bottom.

[Simon] But that involves a democratic institutionality and freedom of the press. As I said, only in the last few years before its closure did ABC COLOR decisively support Paraguayan civic activity.... Now, let me ask you one thing: What official politicians meet the requirements that you do not find among opposition leaders?

[Zuccolillo] No, none among the officialists. Maybe there is one among them trained for some congressional activity. Generally, all the official politicians are handpicked, restricted, and limited. They are horrified, dead scared.... They do not know...they want to express their opinion just as Deputy Seifert did, but they dare not do it. This shows that the official politicians are very limited in their preparation.

[Simon] Allow me to remind you that among the opposition parties and among those who are not opposition party members but who are likewise not officialists, we have people who are prepared. We have economists, artists, intellectuals, lawyers, engineers, philosophers, historians, social scientists, technicians, medical doctors.... Many of them have been very successful abroad, not just in the country. These people never had the chance to use their talent to the benefit of the country. Since 1947, belonging to the opposition was always meant living as an outcast and being persecuted.

[Zuccolillo] I admit that if one is not a member of the government party, all the doors are closed.

[Simon] Therefore, you must include this aspect in your balance of the opposition leaders....

[Zuccolillo] That is right.

[Simon] And please do not forget the systematic repression throughout decades.

[Zuccolillo] Right, right.... This is one of the mitigating factors of the political opposition's lack of coordination and sequence. We were not able to practice opposition because the conditions did not exist.

[Simon] Excuse me for instituting, but I would like to return to one of my questions, that of your possible candidacy. If in this country, a cavalry sergeant or a police officer can aspire to the presidency, why couldn't Aldo Zuccolillo, director of the main Paraguayan newspaper, be able to unify the opposition behind him and head a transition government to establish the bases of a democracy to be attained within a previously determined short term?

[Zuccolillo] I am aware of my limitations. There are professionals, there are politicians who know about politics. It is they who should do the job. I believe that the fact that a cavalry sergeant can harbor presidential aspirations does not mean that just anyone can expect to win the presidency. This is opposed to the position that I have always maintained and that I will continue to maintain: The only way to improve our country will be to give the most important posts to those who are most capable. We cannot afford to continue with the same minister of industry and commerce. I do not know if he was ever qualified for the post. Now he has shown that he is unfit. I am against improvisation. Improvisation might be mandatory during a revolution. Yet even a revolution has its limits because even a revolution should place the best people in public posts. One cannot appoint one's child's godfather, one's friend, son-in-law, or nephew, as is happening now. Therefore, I see no other alternative: The candidate to be sponsored by the National and the opposition parties in the next elections must be chosen on the basis of a popular consensus. I believe that if the people exert pressure it will be easy to restore press freedom and freedom of expression, which will be essential for the presidential elections. If there are ever any!

[Simon] Of course, we don't know for sure if we will get there because public and private freedoms will be necessary, in addition to freedom of expression. The progovernment party should cease using the state apparatus in its favor; the military must stop intervening in favor of the ruling class; and many other things must be corrected.

[Zuccolillo] We will have to wait and see if we have elections in 1988.

[Simon] Mr Zuccolillo, when will we again read ABC COLOR?

[Zuccolillo] Only God and Stroessner know. If God could be transformed into a person, we could ask Him.

[Simon] And what if we ask General Stroessner?

[Zuccolillo] He will answer that it is a case on which the court has rule, and it is therefore closed, as he has recently told General J. Galvin, Commander of the U.S. Southern Command. Of course, conditions change. We will wait.

[Simon] We could ask the Paraguayan people also....

[Zuccolillo] Conditions change. We will wait.

/9274
CSO: 3348/480

PARAGUAY

OPPOSITION LEADERS SAY 'NO DEMOCRATIC OPENING'

PY072248 Paris AFP in Spanish 1434 GMT 7 Mar 86

[Text] Paris, 7 Mar (AFP)--Paraguayan opposition members Euclides Acevedo, a Febrerista Revolutionary Party (PRF) leader, and Jose Carlos Rodriguez, a sociologist who took asylum in France, last night stated that in Paraguay there is no democratic opening and that there will not be one as long as General Alfredo Stroessner lives.

Presenting a new book to the press in which they write on a proposal for a political arrangement to achieve democratization in Paraguay, Acevedo and Rodriguez stated, that now it is necessary to win the political freedom that will allow a transition to democracy.

According to Acevedo and Rodriguez, the transition is imminent because the head of state, who is 73 years old, does not enjoy the privilege of immortality. They predicted that the dictatorial regime will end with his death.

In their opinion, a new electoral law permitting the establishment of a government through truly free elections, constitutional reform, the formation of a new judicial branch, and the removal of the armed forces from politics are necessary to achieve democratization in Paraguay.

All this will only be possible if the opposition, which is now severed from the social movement, is strengthened and is able to propose clear goals to the people, they stated.

In Paraguay it is necessary to implement a permanent popular mobilization including all the political, economical, social, and cultural aspects (to achieve) a cultural, anti-dictatorial, and democratic insurrection, they added.

Acevedo, a leader in the PRF, which is a member of the National Accord Coalition, stated that the opposition made contacts with U.S. Government representatives but that one cannot trust that the United States will play a leading role in the transition to democracy. In turn, Rodriguez admitted the possibility that an agreement may be reached between the opposition and Stroessner's followers after the death of the head of state. Rodriguez, however, based this agreement to the fulfillment of several conditions, especially the release of political prisoners, the lifting of the state of siege, which has been in effect for 30 years, and the recognition of all the political forces, without exception.

PARAGUAY

PATRIA SCORES AMERICAS WATCH OBSERVATIONS

PY242313 Asuncion PATRIA in Spanish 24 Mar 86 p 7

[Editorial: "Interference and Prejudice"]

[Text] Anything that may have been said by the hurried visitors of Americas Watch who, after 3 or 4 days think they know everything about Paraguay, is tolerable when they refer to facts that deserve different opinions, and when the opinions do not involve decisions on sovereignty. However, when the observation touches political problems within the institutional order, then we refute the right of any foreign visitor who may want to meddle, and much more when it is obvious that he favors particular sectors.

This is the case of the notorious Patricia Derian and of Scott Greathead who, after meeting with leaders of the irregular opposition groups, made remarks to the press resulting in an implicit and direct attack on the Colorado Party. A local newspaper has transcribed Greathead's remarks: "A ruling political force cannot decide as it pleases that a given party is legal and that another is not, and dare to call this fact a democracy." The interference is gross and arrogant; the affront jumps out at you, but not to give the false impression that we are acting in a temperamental way, let us review what our laws say, beginning with the Constitution.

Article 117 says: "All Paraguayans qualified to vote have the right to organize themselves in political parties to participate, through democratic means, in the election of authorities and in the implementation of national policies. The law will regulate the Constitution and the activities of political parties in order to safeguard their democratic nature and to guarantee the fact that they are equal before the law."

We are only beginning to deal with this matter and we can already see the falsehood of the representatives of Americas Watch. But let us not pass hasty judgments, because we have to study this thoroughly.

Continuing with the Constitution, which is the fundamental law of the Republic, we find that Article 118 establishes some of the essential guidelines for political parties. It says: "The organization or functioning of any political party which seeks to destroy the republican democratic, and representative government or the multiparty system will not be permitted.

The subordination or alliance of Paraguayan political parties with similar organizations of other countries is forbidden. They can neither receive subsidies nor instructions from abroad."

Very well, still under these constitutional norms, Chapter 3 of the electoral statute, Law No 886, is dedicated to the political parties, from Article 18 to 35, inclusive. That chapter describes what constitutes a political party, its rights, duties, and obligations, what is allowed and what is forbidden, their activities and role, and the procedure to settle controversies.

Just to give an example, to disavow even more the meddlers of Americas Watch, let us read what Article 20 of the statute which says: "Paraguayan political parties are of permanent and national nature (there are no temporary "parties"). In order to be registered at the Central Electoral Court they must prove to have no fewer than 10,000 voters properly registered and identified. They must also have a statute approved in a democratic convention or assembly or members. This statute must include the party's doctrine and principles and the norms for the organization of authorities and their activities. It must also establish the procedure to approve their political and electoral platforms, and for the election of candidates to elective posts from among their members..."

Then, it is neither the Colorado Party nor the government that decides "as they please, if one such political party will exist and not another." This is decided by the Constitution and the law, and if there be any controversy, the Central Electoral Board is open for any administrative matters, while the national courts are open for legal cases.

It is obvious that the hurried visitors of Americas Watch are biting off more than they can chew, and they have done so in such a clumsy manner that puts in doubt the reliability of their observations. In sum: It was another demonstration of the prejudices that tarnish the defense of human rights; prejudices that crop out from the impulse of the most unpredictable sectarianisms.

/9599

CSO: 3348/474

PARAGUAY

COLORADO DEPUTY DISCUSSES CRITICISM AGAINST PARTY

Reviews Remarks To Regional Precincts

PY132310 Asuncion HOY in Spanish 11 Mar 86 p 8

[Excerpts] In a brief interview with the newspaper HOY, Colorado Party Deputy Angel Roberto Seifart yesterday explained why he issued his now-well-known message to the Cordillera-region Colorado Party members. He said that he delivered the speech in response to an invitation by the regional Colorado party precincts, and that he is certain that no Colorado Party member can disagree with what he said.

But what did Seifart say? He said many things that have never been said about present Colorado Party issues; and he said them "within the framework of Colorado Party principles." He talked about popular sovereignty: "We shall categorically and firmly uphold the free vote, freedom of speech, freedom of the press, and freedom to hold meetings because these are essential conditions to safeguard the peaceful exercise of political rights and law and order, which are in keeping with the great party goal of achieving a government for the people, by the people...."

In his speech Seifart said that on the occasion of the calling of the National Constituent Assembly in 1977 to amend Article No 173 of the Constitution, which established that the president could only be reelected once, so as to allow the reelection of General Alfredo Stroessner, "the opposition parties refused to take part in the Constituent Assembly thus leaving us with the heavy burden of having approved a life-long presidency. This is an anti-democratic and unpatriotic crime, which is completely against the intentions of the Colorado Party delegates attending the Constituent Assembly. The principle is simple but inflexible. The Colorado Party does not admit life time tenures for government posts because it is and will continue to be what it has always been--a traditional, republican, and democratic political association."

Also present at the Cordillera-region Colorado Party meeting was Juan Ramon Chaves, president of the Colorado Party Governing Board, who in his message agreed with the objections raised by Seifart by saying that "there are many injustices, and many mistakes"; but if this was the case why has so much time gone by without a profound discussion of the problems affecting the party?

Seifart said: "I categorically state that no Colorado Party member can disagree with what I said from a doctrinaire, and philosophical point of view because my statements are in keeping with the real situation that prevails in the country. Because of their objectivity, I believe that my statements are irrefutable. This is so because I made an analysis from a positive view point noting with unquestionable pride what the Colorado government has accomplished during its administration; and because I also note the other side of the coin, the negative aspects, the mistakes that are characteristic of any undertaking involving human beings, as does the Colorado Party.

Colorados, Opponents Reaction

PY131620 Asuncion HOY in Spanish 11 Mar 86 p 8

[Text] Paraguayan political leaders have reacted in various ways to Dr Seifart's remarks. For some, the concerns that this Colorado Party Executive Board member expressed have already been taken into account. However, Seifart's criticisms were better received by the opposition, both within the Colorado Party and outside, as one shall see further on.

Leandro Prieto Yegros [Colorado Party deputy and member of the Executive Board]: "President Stroessner's administration has been against all the outrages that Dr Seifart criticized from the very moment it took over power, thus marking the end of a phase of anarchy, factional struggles, subjection, and servitude. In his state of the nation address on 1 April 1985, President Stroessner said that all those who violate the laws will be persecuted, regardless of the cost.

"For those of us who are totally committed to the Colorado Party, the important thing is to defend the great postulates of social justice, the main pillars of the historical role that our political party plays. One particular recent example is the draft law on labor union stability that did not receive the support it should have according to Colorado Party tradition. The postulates of social justice should be defended in practice, as Stroessner's government does, and not by merely preaching about it. One defends these postulates, for example, if one struggles to prevent the exploitation of the working class by the greedy employers."

Ruben Stanley [deputy chairman of the Colorado Party deputies bloc]: "I fully agree with Seifart's comments on the obvious foreign currency evasion on which the Government Board has already stated its position. We all agree that if anyone is found guilty, he should be severely punished and by no means can it be accepted that justice not act fully.

"Neither do we want this to become a war between the Trojans and the Greeks. Justice must be as fair as possible with regard to this problem, because the participation of some fellow partisans in this evasion has had negative effects and has badly stained the prestige of our party. We want to make it quite clear that we do not agree with any statements contrary to this stance.

"I think that Seifart's other comments were personal. Regarding what he said about the 'La Voz del Coloradismo' radio program, it is a program authorized by the Government Board, and there are resolutions in this regard.

"Regarding his statement referring to dialogue, I personally think that a broad and clear dialogue should exist wherever a democracy exists. We have never shied away from a dialogue with our political adversaries, bearing in mind that this dialogue should be carried out between equals and with legally established political forces, but in a broad manner within that legal framework."

Fernando Vera (Revolutionary Febrerista Party President): Dr Seifart's remarks seem very apt, because they reflect self-criticism of what the pro-government party is and does. His comments regarding the abuse of authority, the acts of arrogance, and the indiscriminate use of force that damage the prestige and the image of his party, the armed forces, and the police were quite appropriate. Putting this in my own words, I would say that 'heavy-handed' is the best word to describe the dictatorial regime under which the country lives. And this is what Dr Seifart was referring to.

"He also mentioned the regime's corruption, the diversion of foreign exchange from the Central Bank, and then suggested that the question should be taken to court, disregarding the consequences.

"I also found relevant the point of self-criticism he raised regarding the "Voz del Coloradismo" radio program with its offensive and rambling utterances to sow hatred among Paraguayans. This means that the radio program does not reflect the viewpoints of the progovernment party.

"His reference to personalism also was significant. I interpreted this as a reference to the personality cult that the Colorado Party and official circles practice with regard to General Stroessner.

"In sum, I believe that the speech Deputy Seifart made can be understood as the expression of the moral strength that still exists in the leadership of the Colorado Party."

Alejandro Stumpfs [Colorado Popular Movement, MOPOCO, leader]: "I believe that Seifart's speech was a favorable reaction of the party's government junta in the middle of the --politically speaking--critical situation we are experiencing. He indicated precisely the road the MOPOCO believes should lead to the country's democratization."

/9274

CSO: 3348/476

PARAGUAY

COLORADO PARTY NOTES APPEAL FOR RECONCILIATION

PY132108 Asuncion EL DIARIO in Spanish 13 Mar 86 p 8

[Text] During its session yesterday, the Colorado Party [National Republican Association] Government Board acknowledged a note sent by the "Group of 34." It also decided to create a commission to analyze the scope of the "Voice of the Colorado Party" radio program.

The Colorado Party leadership's meeting was held behind closed doors and, according to what was leaked, a somewhat heated debate took place among some of its members.

According to Colorado Party Chairman Juan Ramon Chaves at the end of the session, the note sent by the group of Colorado Party members, known as the "Group of 34," was well received by the ANR authorities. The note proposes that the Government Board seek an adequate mechanism aimed at "reconciling the Colorado family" on the occasion of the party's centennial, next year. A special commission in charge of studying the ways of working with the group was also established.

Another noteworthy issue discussed by the Government Board members were the charges made by Deputy Angel Roberto Seifart regarding "the voice of the Colorado Party," the Colorado Party's radio mouthpiece, which he termed as "erroneous deviation." These charges were made during a ceremony at Loma Grande.

Seifart, who is also a member of the Government Board, brought this issue up with his fellow partisans. Seifart noted that this radio program even lashes out against members of the Colorado leadership.

Alejandro Caceres Almada, director of the radio program refuted Seifart's charges. According to Salvador Paredes, at the end of the meeting, Caceres Almada said Seifart's charges were "intrigues."

According to Paredes, Caceres Almada also requested the creation of a commission to investigate whether "the Voice of the Colorado Party" is fulfilling its duty as mouthpiece of the party and whether it actually offended any member of the Government Board. Paredes disclosed that Almada said that "he would go home" if that was the case.

Juan Ramon Chaves was appointed to set up the commission.

Paredes asserted that only the following three people referred to the subject: Angel Roberto Seifart, Hiran Delgado Von Leppel, and Alejandro Caceres Almada. He said that at one point of the meeting, Delegado Von Leppel criticized Seifart's statements on the lifetime presidency and Seifart then explained what he had said.

At the end of the meeting, most of the Government Board members agreed that the note sent by the "Group of 34" was written in a respectable tone and that it had been well-received.

When Caceres Almada was asked his opinion of Seifart's statements, he said that he had not been present at the Loma Grande ceremony. He added: "I only listen to you and read the newspapers, I believe in the media. I have already said all I have to say at the Government Board meeting."

Previously Caceres Almada had told another journalist: "I do not make statements for opposition radio stations."

/9274

CSO: 3348/476

MAC LEADER ON COLORADO PARTY FRAGMENTATION

PY250258 Asuncion LA TARDE in Spanish 24 Mar 86 p 10

[Text" of interview granted by Colorado Authenticity Movement Vice President Mario Milciades Melgarejo to LA TARDE--date not given]

[Text] [LA TARDE] To satisfy request made by LA TARDE readers, could you elaborate on previous statements you made to newspapers regarding the internal affairs of the Colorado Party, particularly regarding its groups and sectors?

[Melgarejo] There are two large historical camps, clearly antagonistic, within the Colorado Party. One, the nationalist camp of the Caballerism-Abstensionism-Guionism, which in the party's early days, was led by Bernardino Caballero, Jose Segundo Decoud, Candido Bareiro, Juan B. Gill, Enrique Solano Lopez, Patricio Escobar, and others; and the other, the neo-liberal or liberal-leaning camp of the Egusquicism-Participationism-Democraticism, which was historically led by Egusquiza, Cesar Gondra, Fancundo Insfran, Emilio Aceval, and others. The Caballerism was historically identified with abstensionism during the period of hegemony by the liberal party; and since 1945, has been identified with Gonzalism or Natalicism or Guionism. In turn and at about the same periods, the Egusquicism became participationism, first, and democraticism later, continuing to the present.

[LA TARDE] Could you tell us which groups belong to the two historical camps?

[Melgarejo] Focusing on the party's history beginning in 1945, we find, as branches of the nationalist camp, the Natalicist-Guion Group, the Molas-Lopist Guion Group, and the Colorado Authenticity Movement [MAC]; and, as members of the other camp, the Chavist Democratic Group, the Zacariasist Democratic Group, the Estigarribiaist Democratic Group, the Epifanioist Democratic Group, and the Gorostiagaist Democratic Group.

[LA TARDE] And those you refer to as syncretistic or pragmatic groups?

[Melgarejo] Since 1881, when the antagonism between nationalist and liberal-leaning camps began, many attempts have been made to resolve the profound devision within the Colorado Party. All the attempts either failed or had a short-live success. In the past decades, these groups that I will mention have made attempts to bring about intraparty unity: Verticalism, from which

the Colorado Popular Movement developed; Third Position Group or Thirdist, which was organized and originally led by Don Tomas Romero Pereira and Edgar L. Ynsfran, and which has now been rechristened Group of the 34; and lastly, I believe that the Militancy Group led by Mario Abdo Benitez and/or Adan Godoy Gimenez is evolving toward a syncretistic position regarding the central question of nationalism versus neo-liberalism, which can now be redefined as a question of nationalism versus neo-liberalism-neo-Marxism.

[LA TARDE] What groups currently comprise the Colorado Party?

[Melgarejo] The Chavist Democratic Group, which has been leading the party since 1949 in an increasingly hegemonic and sectarian manner; the Popular Colorado Movement (MOPOCO) and Coloradism in Exile and Resistance (ANRER), which originated in Verticalism and Epifanism, respectively, and which are both in disagreement with the Executive Board of the National Republican Association (Colorado Party) and the government; the Third Position Group, now known as Group of the 34, created and led by some former Guionists and former Democrats with the approval, protection, and at the service of the Chavist Democratic hegemony; the Colorado Authenticity Movement, a nationalist and unionist group that questions the hegemony of the Chavist Democratic Group and favors a third and final reunification of the Colorados; and the Militancy Group that is in the process of formation.

[LA TARDE] In your view, what happened to Colorado Unity, which was sealed on 27 October 1955?

[Melgarejo] It was demeaned, stolen, and mocked by the sectarian minority of the Chavist Democrats. Because of that second encounter, authentic Coloradism learned the true dimension of the central problem that impedes harmony within the Colorado Party, and impedes the full implementation of its true government program. In fact, immediately after 27 October 1955, the Third Position emerged. Its members launched repressive operations against Verticalists, Guions, and Epifanists, under the pretext of defending the "rocklike unity" sealed on 27 October 1955...Skipping to recount what happened later...and continues to happen...it can be expected that the Chavist Democrats and their docile allies from the Third Position (now Group of the 34) will once again try to use a new version of that "rocklike unity" as a pretext to segregate the other internal groups of the Colorado Party.

[LA TARDE] In your view, what are the prospects for unity in the Colorado Party?

[Melgarejo] Because it is said that "everything has its time and its form," and because, as I have said, the conditions now exist for a democratic opening both within the party and among the parties, there are prospects. The Colorados are now experiencing a period of gradual weakening of the Chavist Democratic hegemony, which since 1949 has attempted to hinder and destroy the Colorado Nationalist Revolution, which began in 1947, in order to replace it with a neo-liberal counterrevolution.

Once the Chavist Democratic hegemony, which constitutes a real bottleneck in the process of Colorado and national unity, is ended, the various groups and sectors of Coloradism will be able to fully resume their participation in the exchange of ideas and positions within the party. This will inexorably lead to the Third and Definitive Encounter of Coloradism, which will be the expression of a pluralist democratic unity, without exclusions or discrimination. That will be a unity that is practiced and understood as an agreement on ideology and program; a unity born out of respect and political consideration for the various groups and sectors.

/9599

CSO: 3348/474

PARAGUAY

'VOICE OF COLORADO' ISSUES WARNING TO EL DIARIO

PY232355 Asuncion Domestic Service in Spanish 2330 GMT 22 Mar 86

[From the "Voice of the Colorado Party" program]

[Text] Today we did not intend to waste time, word, paper, or ink by referring to an anniversary. However, God's will be done. The gay of Yegros Street [Aldo Zucolillo, owner of the closed newspaper ABC COLOR] has spoken on opposition radio broadcasts. The editorial of the evening newspaper ULTIMA HORA, a cheap copycat of the closed subversive newspaper ABC, "the mass," [celebrated on 22 March in the Asuncion cathedral] the "little demonstration," the slogans: Out with the tyrant, with the dictatorship, etc., etc., force us to recall that today, 24 March, is another anniversary of the healthy removal of the malign tumor that was infecting the nation's organic body with the infectious and contagious virus of subversion and communism.

Today is not a painful date for journalism, as the cheap copycat newspaper of the ungrateful son of Colonel Pablo Rojas states. It is also not a day for reflecting about something we conquered a long time ago: democracy and freedom of the press, as also affirmed by the evening newspaper ULTIMA HORA, a branch of the lousy newspaper of the naked fisherman of the Ana Cua zone in the Parana River [Aldo Zucolillo].

Sincerely, it is a pity that some leftist scribes should have to involve men like the ungrateful son of Colonel Pablo Rojas, owner of the cheap copycat newspaper of the lousy subversive newspaper, which according to Febrerista Revolutionary Party [PRF] member journalist Humberto Perez Caceres, was a Communist rats nest.

The truth is that 3 years ago today, the government made this healthy decision, and the Paraguayan people applauded, continues applauding, and will continue to applaud the suffocation of that center of anarchy, chaos, violence, subversion, and homosexuality.

Now, since the bad never seem to die, we are nevertheless observing a reappearance of that tumor. We are referring to the ABCization of the newspaper EL DIARIO NOTICIAS whose owner we consider a friend of the government of the Colorado Party, and mainly a friend of the president, General Alfredo Stroessner.

However, the owner of this newspaper is being deceived. He is being cheated just like the cheap copycat newspaper director was. [sentence as heard] Since we are friends, we are warning the owner of EL DIARIO NOTICIAS that if his newspaper continues like this, it will be on the way to becoming a new branch of the former mouthpiece of subversion [ABC].

The first fatal mistake was the hiring of journalist Luis Alberto Mauro, who for about 700,000 guaranies monthly, is fast ABCing the EL DIARIO NOTICIAS newspaper. Mauro, who is Zuccolillo's lieutenant, is a clear representative of the leftist and subversive journalism. Mauro is of a communist leaning as well as a mortal enemy of the government. From ABC he always involved President Stroessner's administration in state fraud cases, accused it of exploiting the people and made other serious charges. From ABC, Mauro had severely prohibited the publishing of news in favor of the government, just as he is also prohibiting it now in the EL DIARIO NOTICIAS.

But let us look at some other outrages committed by Mauro. For example, on his first day at the EL DIARIO NOTICIAS he allowed the publishing of an editorial entitled: One tyrant less, written by the renegade A.V.P. [reporter Alberto Vargas Pena], who we know has a violent hatred of the Colorado Party. A.V.P. has disrespectfully compared President Stroessner's administration, a constitutional one, with the tyrannies led by Duvalier and Ferdinand Marcos.

Further evidence of Mauro's ABC influence on EL DIARIO NOTICIAS: He changed the first page layout, and made it similar to the one used by ABC. He also dismissed chief editor Augusto Ocampos Caballero, a nationalist, loyal individual who would never follow a subversive line. Mauro named in his place a protege: his foreman Christian Torres, a good journalist but badly educated, trained, and managed by Mauro, whom Christian obeys with closed eyes just as he did at that lousy newspaper.

Mauro also changed the general layout of the EL DIARIO NOTICIAS. Anyone reading a number of the lousy newspapers, after disinfecting his hands of course, will realize that EL DIARIO NOTICIAS copies ABC, including the editorial, political, and local news pages among others.

As if this were not enough, and following the ABCization process, Mauro convinced the owner of EL DIARIO NOTICIAS to rehire a Uruguayan. He was not able to bring as he wished former Tupamaro Orlando, but he brought (Noto), who worked at ABC from its beginnings to its end. (Noto) is a coordinator who is earning approximately 1,100,000 guaranies monthly.

Mauro's final strike is to eventually hire former ABC reporters for the EL DIARIO NOTICIAS: Silvero, Britez, (Boveda), Rodriguez, and others. Do not be surprised if in a few days time you see a worthless article written by the deserter Alcibiades [Alcibiades Gonzalez del Valle]. The hiring of the other journalists is at a standstill because Mauro requested 300,000 guaranies salary, while the current reporters of EL DIARIO NOTICIAS are earning 70,000 guaranies.

This means that the Bolshevik team of the lousy subversive newspaper is slowly being formed again. This is being done behind men with good faith such as the ungrateful son of Colonel Pablo Rojas, and the owner of EL DIARIO NOTICIAS, who are evidently not aware of the fact that they are being stupidly deceived.

However, we repeat: We as friends are warning them in time, particularly the owner of EL DIARIO NOTICIAS, who we know boasts of his friendship with our leader President Stroessner. We are warning them before it is late because we think that a friend should not pay salaries, feed, and fatten his friend's enemy.

/9599

CSO: 3348/475

INFORMATION SECRETARY SCORES REPORTERS' STATEMENTS

PY131656 Asuncion Red Privada de Teledifusora Paraguaya Television in Spanish
1500 GMT 11 Mar 86

[Statement granted by Anibal Fernandez, information under secretary of the Presidency, at Government House in Asuncion on 11 March--video showing Anibal Fernandez speaking]

[Text] The public and I have been sadly surprised, or rather, we are faced with the sad, deplorable, and condemnable example of the really untenable and unacceptable conduct of certain Paraguayan journalists who have taken advantage of their trip abroad to insult the country, those who govern it, and its democratic institutions.

All they have said abroad could have been said here. A real Paraguayan, a good Paraguayan, would never speak badly beyond our borders about his country, its government, or its institutions. We solve our problems here within our borders, and those who speak of a deterioration of freedom and of the lack of freedom of the press and of expression are insolently lying.

It is my belief that on their return they will have to render account, not only to the Paraguayan public but also to the appropriate court, which will have to ask them to account for their actions. What they have done is condemnable, reproachable, and I am convinced that all good people will reject it.

As information under secretary, I categorically reject the comments of Mr Eduardo [his name is Ernesto] Garcia, Mr Cazenave, Mr Rubin, and of all of those who accompanied them.

They had no right to go to Europe and say what they said. If those are their thoughts, then they should have written them down and stated them here, and I am sure that no one would have censored them, because there is no censorship. There is freedom of the press in Paraguay, and they know this perfectly well.

If they want to play politics which does not fit them very well, then they should give up their profession as journalists. Journalism is a noble task, a respectable task, and those who abuse it smear the freedom of the press, at the same time abusing the welcome they have been given in foreign countries. Well, there are a lot of epithets that fit them, but this is not the time for me to repeat them.

PARAGUAY

JOURNALISTS RETURN FROM FRG, DEFEND ATTITUDE

PY131702 Asuncion HOY in Spanish 13 Mar 86 p 8

[Excerpt] After touring the FRG and participating in meetings to discuss the development, progress, or decline of the freedom of press in Paraguay, the five Paraguayan journalists invited by the Friedrich Naumann foundation have returned to the country.

Alcibiades Golzales Delvalle, formerly a columnist of the closed ABC COLOR newspaper; Fernando Cazenave, chief editor of the evening newspaper ULTIMA HORA; Humberto Rubin, director of Radio Nanduti; Ildefonso Silvero, of the Catholic weekly SENDERO; and Ernesto Garcia, former director of a TV newscast, yesterday at 0930 arrived at the President Stroessner Airport, where police and airport security personnel at one point started asking for I.D. papers from anyone going to the airport.

The members of the Paraguayan group stated that everything they said in the FRG was the truth and a repetition of the things they often say in Paraguay.

/9599
CSO: 3348/477

PARAGUAY

PRIVATE SECTOR WARNS DEBT MAY EXHAUST RESERVES

PY191554 Asuncion HOY in Spanish 18 Mar 86 p 11

[Excerpts] In a communique released on 17 March, the Finance Ministry stated that our foreign debt stands at a reasonable level from the viewpoint of the total contracted debt, the terms, and the interest. The ministry pointed out that it is not necessary to suggest or hint that the debt, which stood at \$1,732,600,000 in June 1985, should be renegotiated.

According to the ECLA report, the Paraguayan foreign debt stood at \$1.85 billion on 31 December 1985. Thus, the per capita foreign debt would be \$560. This figure is the result of dividing \$1.85 billion by 3,300,000 which was our country's estimated population in December 1985, based on the projections of the 1983 census and on an annual growth rate of 2.5 percent.

Private sector specialists have pointed out that they are not concerned about the overall debt and its structure, which can be considered as based on prudent terms, but about the fact that the amount needed to service the debt is very high in comparison with our export revenues. Thus, if our country meets its annual overdue obligations, it will soon run out of hard currency. According to the World Bank, our country must pay \$270 million this year. This figure amounts to 86 percent of our export revenues in 1985, based on data supplied by the General Customs Directorate.

/9274

CSO: 3348/479

INTERIOR MINISTRY RESPONDS TO PRESS REPORTS

PY220126 Asuncion Cerro Cora Sistema Nacional Television in Spanish 2300 GMT
21 Mar 86

[Text] of communique released by the Press Secretariat of the Interior Ministry in Asuncion on 21 March--read by announcer]

[Text] Regarding the reports published today in the newspapers HOY and ULTIMA HORA allegedly quoting the Interior Ministry, the Press Secretariat of this ministry wishes to clarify that:

1. The activities of political parties established, registered and recognized in accordance with Articles 117 and 121 of the national Constitution and Chapter 3 of Law No 886 of the electoral code, are fully guaranteed.
2. In response to a written request received from Dr Fernando Vera as president of the Revolutionary Febrerista Party, and not on behalf of the National Accord as the press erroneously reported, the Interior Minister received Dr Vera at 1100 on 20 March.
3. On that occasion Dr Vera indicated that his request for a meeting had been prompted by his desire to find out about the status of the persons arrested in connection with the events that took place in Alfonso Loma in the district of Caraguatay. Since by the day of the meeting the reasons that prompted his request were no longer valid [the detainees have been released], Dr Vera thanked the minister for receiving him and they discussed other issues.
4. The interior minister reaffirmed on that occasion and is doing so once again now, that all legally established and recognized parties as well as all legally organized associations are guaranteed the right to hold meetings.
5. The Interior Ministry denies that irregular group or splinters from legal political parties or political organizations that operate outside the law, will be authorized to hold public rallies. It is the Interior Ministry's task to ensure the normal development of legal political activities. In keeping with this duty the ministry guarantees the right to hold meetings while preserving the rights of third parties and public order as provided for in Article 76 of the national Constitution. Those who do not comply with the law cannot claim for themselves the rights reserved to political parties. No rallies or provocations capable of disrupting the peaceful coexistence of the inhabitants of the nation will be allowed.

PLRA CHAIRMAN LASHES OUT AT POLICE AGGRESSION

PY190158 Asuncion ULTIMA HORA in Spanish 17 Mar 86 p 10

[Text] Dr Miguel A. Martinez Yaryes, chairman of the Authentic Radical Liberal Party [PLRA], has said, referring to the events that occurred at the official presentation of Miguel A. Saguier as candidate for the chairmanship of the PLRA: "What occurred yesterday in Alfonso Loma was a well-planned aggression provoked by the official responsible for the departmental government of La Cordillera Department, which is headed by Sergio E. Dacak, who was obviously obeying the orders of Minister Montanaro."

Martinez Yaryes added: "This incident shows the duplicity and hypocrisy of the government authorities, because a few hours before Foreign Minister Carlos Augusto Saldivar said that there is democracy in Paraguay. But yesterday morning, they showed how this democracy was being put into action."

Commenting further on the events that occurred in La Cordillera Department, jurisdiction of Caraguatay, Dr Martinez Yaryes said: "The most important lesson to be learned from this attitude of the police forces is that the fear of what is going to happen is compelling them to make this kind of aggression and provocation, which are typical of the last death throws of a totalitarian regime which is aware that a democratic current is invading the country, and which, through these deployments of force, tries to hold on to the arbitrary and prepotent abuse of power which has subdued the Paraguayan people for all these years."

/9274
CSO: 3348/478

PARAGUAY

ARRESTED PLRA MEMBERS EXAMINED, RELEASED

PY181824 Asuncion EL DIARIO in Spanish 18 Mar 86 p 8

[Excerpts] The Interior Ministry representative in Cordillera Department Sergio Enrique Dacak has justified the measures adopted against the Authentic Radical Liberal Party [PLRA] members during their meeting in Palma Loma, by saying that they were not authorized to hold the meeting, and "moreover, they are completely illegal" he said. Dacak also denied any charges of aggression. All the people arrested during the incident were released after being examined by a doctor according to Dacak.

The Interior Ministry representative himself reported last night that all these arrested were released, including Miguel Abdon Saguier. He added that all of them were examined by doctors before being released, in order to provide irrefutable proof that they had not been mistreated or hit as it had been reported the day before.

Regarding this matter, he said that the medical examinations were done, in presence of a judge, by three doctors, one belonging to the Colorado Party, another to the Febrerista Revolutionary Party, and the other to the Liberal Party, so as to avoid any suspicions.

/9274
CSO: 3348/478

1

PARAGUAY

2,179 PEOPLE SIGN LETTER TO END EXILE

PY192056 Asuncion ULTIMA HORA in Spanish 17 Mar 86 p 9

["Open Letter" with 2,179 signatures, published as paid advertisement]

[Excerpt] We, the undersigned, citizens of the Republic of Paraguay, referring to our Constitution which confirms the democratic regime (Article 1); the respect for human rights (Article 9); the free development of the individual (Article 48); the protection of one's life, physical integrity, liberty, security, property, honor, and reputation by the state (Article 50; and the right to live in the republic (Article 56), and exercising our right to petition the authorities, which is granted by Article 76 of our Constitution, express our deep interest that these principles, as well as those contained in the preamble of our Constitution, which proclaims the duty to respect human rights, to preserve freedom, equality and justice, should be a guarantee for our countrymen Domingo Laino, Luis Alfonso Resck, and Augusto Roa Bastos.

Based on these principles, we reject exile--an unfair imposition which prevents the people who legitimately make up the nation from exercising their rights and deprives them of guarantees--which cannot be justified by laws or decrees of any type. When such laws are imposed, even though they are null and void, it is to the detriment and annulment of the laws of our country which are based on the Constitution.

We believe it is the duty of the authorities to respect the constitutional principles and to put an end to this situation which prevents our countrymen from returning. We are inspired by the legitimate right of citizens to insist on respect for the Constitution in order to preserve our position as free men which should be the hallmark of a republican and democratic government system.

For all these reasons, and based on the eternal ideals of justice, liberty, and equality, we support all measures necessary to put an end to exile.

/9274
CSO: 3348/478

PARAGUAY

BRIEFS

BRITISH AGRICULTURE MINISTER ARRIVES--British Minister of Agriculture, Fisheries and Food Peggy Fanner [name, title as published] arrived in our country yesterday. Today, she will hold talks with government officials and members of the private sector to try to increase Paraguayan exports to the United Kingdom. [Text] [Asuncion EL DIARIO in Spanish 6 Mar 86 p 1] PY] /9274

CONSTRUCTION WORKERS' LEADERS SET FREE--SINATRAC (National Trade Union of Construction Workers) Assistant Secretary General Gregorio Ojeda and Social Security and Operations Secretary Ildefonso Santander, who were arrested on 24 March by policemen from the 96th police precinct of Nu Guazu, a district of Luque, were set free yesterday noon. SINATRACT is a member of the militant Interunion Workers Movement [MIT]. [Excerpts] [Asuncion HOY in Spanish 26 Mar 86 p 14 PY] /9274

POLICE BAN PUL HEADQUARTERS LECTURE--An annoying situation occurred last night at the PUL [Proponents of Liberal Unity] headquarters when the police banned a lecture, sponsored by the organization, that was to be given by Doctor Benjamin Vargas Pena. Doctor Hugo Galli Riart strongly recriminated the presence of police personnel at the PUL headquarters. Once again a police operation stopped a meeting at the PUL headquarters. Sponsored by the PUL, Dr Benjamin Vargas Pena was to have given a lecture there, but it had to be cancelled when police agents from the First Police District showed up at the PUL headquarters saying that police permission had not been given. [Excerpt] [Asuncion ULTIMA HORA in Spanish 25 Mar 86 p 10 PY] /9274

CSO: 3348/478

END